

House File 2562 - Introduced

HOUSE FILE _____
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 628)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to and increasing motor vehicle and trailer
2 registration fees and title fees, allocating new revenues from
3 fees to the TIME=21 fund, increasing the motorcycle operator's
4 license fee and allocating the increased revenue to the
5 motorcycle rider education fund, reallocating certain fees
6 collected by the department of transportation, repealing the
7 use tax on vehicles subject to registration and the use tax on
8 certain leased motor vehicles, establishing a fee for new
9 registration of vehicles, making penalties applicable, and
10 providing effective dates.
11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
12 TLSB 5811HV 82
13 dea/nh/24

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1 1 DIVISION I
1 2 MOTOR VEHICLES
1 3 Section 1. Section 312.2, Code Supplement 2007, is amended
1 4 by adding the following new subsection:
1 5 NEW SUBSECTION. 19. a. The treasurer of state, before
1 6 making the allotments provided for in this section, shall
1 7 credit annually to the TIME=21 fund created in section 312A.2,
1 8 the revenue accruing to the road use tax fund from annual
1 9 motor vehicle registration fees for passenger cars,
1 10 multipurpose vehicles, and motor trucks in excess of three
1 11 hundred forty-six million dollars annually.
1 12 b. This subsection is repealed June 30, 2028.
1 13 Sec. 2. Section 321.1, Code 2007, is amended by adding the
1 14 following new subsection:
1 15 NEW SUBSECTION. 7A. "Business=trade truck" means a motor
1 16 truck with an unladen weight of ten thousand pounds or less
1 17 that is any of the following:
1 18 a. Owned, leased, or used by a person who files a schedule
1 19 C or schedule F form with the federal internal revenue
1 20 service.
1 21 b. Eligible for depreciation under section 167 of the
1 22 Internal Revenue Code.
1 23 c. Owned, leased, or used by a person engaged in a
1 24 business or trade and regularly used to haul supplies, trade
1 25 tools, equipment, merchandise, or freight for that business or
1 26 trade.
1 27 d. Owned, leased, or used by a person who is engaged in
1 28 the production of farm products, including but not limited to
1 29 crops, energy, livestock, or poultry, equal in value to more
1 30 than one thousand dollars annually.
1 31 Sec. 3. Section 321.109, subsection 1, paragraph a, Code
1 32 2007, is amended to read as follows:
1 33 a. The annual fee for all motor vehicles including
1 34 vehicles designated by manufacturers as station wagons, ~~and~~
1 35 1993 and subsequent model ~~years for year~~ multipurpose
2 1 vehicles, ~~and 2010 and subsequent model year motor trucks with~~
2 2 ~~an unladen weight of ten thousand pounds or less, except motor~~
2 3 ~~trucks registered under section 321.122, business=trade~~
2 4 ~~trucks, special trucks, motor homes, ambulances, hearses,~~
2 5 motorcycles, motorized bicycles, and 1992 and older model
2 6 ~~years for year~~ multipurpose vehicles, shall be equal to one
2 7 percent of the value as fixed by the department plus forty
2 8 cents for each one hundred pounds or fraction thereof of
2 9 weight of vehicle, as fixed by the department. The weight of
2 10 a motor vehicle, fixed by the department for registration

2 11 purposes, shall include the weight of a battery, heater,
2 12 bumpers, spare tire, and wheel. Provided, however, that for
2 13 any new vehicle purchased in this state by a nonresident for
2 14 removal to the nonresident's state of residence the purchaser
2 15 may make application to the county treasurer in the county of
2 16 purchase for a transit plate for which a fee of ten dollars
2 17 shall be paid. And provided, however, that for any used
2 18 vehicle held by a registered dealer and not currently
2 19 registered in this state, or for any vehicle held by an
2 20 individual and currently registered in this state, when
2 21 purchased in this state by a nonresident for removal to the
2 22 nonresident's state of residence, the purchaser may make
2 23 application to the county treasurer in the county of purchase
2 24 for a transit plate for which a fee of three dollars shall be
2 25 paid. The county treasurer shall issue a nontransferable
2 26 certificate of registration for which no refund shall be
2 27 allowed; and the transit plates shall be void thirty days
2 28 after issuance. Such purchaser may apply for a certificate of
2 29 title by surrendering the manufacturer's or importer's
2 30 certificate or certificate of title, duly assigned as provided
2 31 in this chapter. In this event, the treasurer in the county
2 32 of purchase shall, when satisfied with the genuineness and
2 33 regularity of the application, and upon payment of a fee of
2 34 ten dollars, issue a certificate of title in the name and
2 35 address of the nonresident purchaser delivering the title to
3 1 the owner. If there is a security interest noted on the
3 2 title, the county treasurer shall mail to the secured party an
3 3 acknowledgment of the notation of the security interest. The
3 4 county treasurer shall not release a security interest that
3 5 has been noted on a title issued to a nonresident purchaser as
3 6 provided in this paragraph. The application requirements of
3 7 section 321.20 apply to a title issued as provided in this
3 8 subsection, except that a natural person who applies for a
3 9 certificate of title shall provide either the person's social
3 10 security number, passport number, or driver's license number,
3 11 whether the license was issued by this state, another state,
3 12 or another country. The provisions of this subsection
3 13 relating to multipurpose vehicles are effective ~~January 1,~~
3 14 ~~1993,~~ for all 1993 and subsequent model years. The annual
3 15 registration fee for multipurpose vehicles that are 1992 model
3 16 years and older shall be in accordance with section 321.124.
3 17 Sec. 4. Section 321.113, Code 2007, is amended to read as
3 18 follows:

3 19 321.113 AUTOMATIC REDUCTION.
3 20 1. The annual registration fee for a motor vehicle shall
3 21 not be automatically reduced under this section unless the
3 22 ~~registration~~ fee is based on the value and weight of the motor
3 23 vehicle as provided in section 321.109, subsection 1.

3 24 2. If a motor vehicle is more than ~~five seven~~ model years
3 25 old, the part of the annual registration fee that is based on
3 26 the value of the vehicle shall be seventy-five percent of the
3 27 rate as fixed when the motor vehicle was new and the total fee
3 28 shall not be less than seventy-five dollars; except that if
3 29 the vehicle has been titled in the same person's name since
3 30 the vehicle was new or the title to the vehicle was
3 31 transferred prior to January 1, 2009, the annual registration
3 32 fee shall not be more than the fee paid for the previous
3 33 registration year.

3 34 3. If a motor vehicle is more than ~~six nine~~ model years
3 35 old, the part of the annual registration fee that is based on
4 1 the value of the vehicle shall be fifty percent of the rate as
4 2 fixed when the motor vehicle was new and the total fee shall
4 3 not be less than seventy-five dollars; except that if the
4 4 vehicle has been titled in the same person's name since the
4 5 vehicle was new or the title to the vehicle was transferred
4 6 prior to January 1, 2009, the annual registration fee shall
4 7 not be more than the fee paid for the previous registration
4 8 year.

4 9 4. ~~If a 1994 model year or newer motor vehicle is nine~~
4 10 ~~model years old or older the registration fee is thirty-five~~
4 11 ~~dollars. For purposes of determining the portion of the~~
4 12 ~~registration fee under this subsection that is based upon the~~
4 13 ~~value of the motor vehicle, sixty percent of the registration~~
4 14 ~~fee is attributable to the value of the vehicle.~~

4 15 5. a. ~~If a 1993 model year or older motor vehicle has~~
4 16 ~~been titled in the same person's name since the vehicle was~~
4 17 ~~new or the title to the vehicle was transferred prior to~~
4 18 ~~January 1, 2002, the part of the registration fee that is~~
4 19 ~~based on the value of the vehicle shall be ten percent of the~~
4 20 ~~rate as fixed when the motor vehicle was new.~~

4 21 b. ~~If the title of a 1993 model year or older motor~~

~~4 22 vehicle is transferred to a new owner or if such a motor
4 23 vehicle is brought into the state on or after January 1, 2002,
4 24 the registration fee shall not be based on the weight and list
4 25 price of the motor vehicle, but shall be as follows:
4 26 (1) For a motor vehicle that is model year
4 27 1969 or older:..... \$ 16.00
4 28 (2) For a motor vehicle that is model year
4 29 1970 through 1989:..... \$ 23.00
4 30 (3) For a motor vehicle that is model year
4 31 1990 through 1993:..... \$ 27.00
4 32 For purposes of determining the portion of the registration
4 33 fee under this paragraph "b" that is based upon the value of
4 34 the motor vehicle, sixty percent of the registration fee is
4 35 attributable to the value of the vehicle.~~

5 1 4. a. Except as provided in paragraph "b", if a motor
5 2 vehicle is twelve model years old or older, the annual
5 3 registration fee is seventy-five dollars; except that if the
5 4 vehicle has been titled in the same person's name since the
5 5 vehicle was new or the title to the vehicle was transferred
5 6 prior to January 1, 2009, the annual registration fee shall
5 7 not be more than the fee paid for the previous registration
5 8 year.

5 9 b. If a motor vehicle was registered as an antique vehicle
5 10 pursuant to section 321.115 prior to January 1, 2009, and
5 11 either the motor vehicle has been titled in the same person's
5 12 name since the vehicle was new or the title to the vehicle was
5 13 transferred prior to January 1, 2009, the annual registration
5 14 fee shall be twenty-three dollars for a motor vehicle that is
5 15 model year 1970 through 1983 and sixteen dollars for a motor
5 16 vehicle that is model year 1969 or older.

5 17 c. For purposes of determining the portion of an annual
5 18 registration fee under paragraph "a" or "b" that is based upon
5 19 the value of the motor vehicle, sixty percent of the annual
5 20 registration fee is attributable to the value of the vehicle.

5 21 Sec. 5. NEW SECTION. 321.120 BUSINESS=TRADE TRUCKS.
5 22 1. The annual registration fee for a business=trade truck
5 23 shall be determined pursuant to section 321.122, subsection 1,
5 24 paragraph "a" or "b".

5 25 2. Upon application for a new registration, an owner who
5 26 registers a motor vehicle as a business=trade truck shall be
5 27 required to provide proof or affirm under penalty of perjury
5 28 pursuant to section 720.2 that the vehicle meets the
5 29 definition of a business=trade truck. The department may
5 30 adopt rules as necessary to prescribe the documentation
5 31 required as proof or affirmation under this subsection, but
5 32 shall not require that such documentation be notarized.

5 33 3. If the department determines by audit or other means
5 34 that a person has registered a vehicle as a business=trade
5 35 truck that is not qualified for such registration, the person
6 1 may be required to pay regular annual registration fees
6 2 applicable to the vehicle under section 321.109 or 321.113, in
6 3 addition to any other penalty or sanction imposed by law.

6 4 Sec. 6. Section 321.121, Code 2007, is amended to read as
6 5 follows:

6 6 321.121 SPECIAL TRUCKS FOR FARM USE.

6 7 1. a. Except as provided in paragraph "b", the annual
6 8 registration fee for a special truck with a gross weight of
6 9 six tons shall be one hundred dollars, and the annual
6 10 registration fee for a special truck with a gross weight
6 11 exceeding six tons but not exceeding eighteen tons shall be as
6 12 follows:

<u>6 14 For a gross</u>	<u>And not</u>	<u>The annual</u>
<u>6 15 weight exceeding:</u>	<u>exceeding:</u>	<u>registration</u>
		<u>fee shall be:</u>
<u>6 16 6 Tons</u>	<u>7 Tons</u>	<u>\$ 125</u>
<u>6 17 7 Tons</u>	<u>8 Tons</u>	<u>\$ 155</u>
<u>6 18 8 Tons</u>	<u>9 Tons</u>	<u>\$ 170</u>
<u>6 19 9 Tons</u>	<u>10 Tons</u>	<u>\$ 190</u>
<u>6 20 10 Tons</u>	<u>11 Tons</u>	<u>\$ 205</u>
<u>6 21 11 Tons</u>	<u>12 Tons</u>	<u>\$ 225</u>
<u>6 22 12 Tons</u>	<u>13 Tons</u>	<u>\$ 245</u>
<u>6 23 13 Tons</u>	<u>14 Tons</u>	<u>\$ 265</u>
<u>6 24 14 Tons</u>	<u>15 Tons</u>	<u>\$ 280</u>
<u>6 25 15 Tons</u>	<u>16 Tons</u>	<u>\$ 295</u>
<u>6 26 16 Tons</u>	<u>17 Tons</u>	<u>\$ 305</u>
<u>6 27 17 Tons</u>	<u>18 Tons</u>	<u>\$ 315</u>

6 28 b. If a special truck has been titled in the same
6 29 person's name since the vehicle was new or the title to the
6 30 vehicle was transferred prior to January 1, 2009, the
6 31 registration fee for a special truck shall be eighty dollars
6 32 for a gross weight of six tons, one hundred dollars for a

6 33 gross weight of seven tons, one hundred twenty dollars for a
 6 34 gross weight of eight tons, and in addition, fifteen dollars
 6 35 for each ton over eight tons and not exceeding eighteen tons.
 7 1 c. The registration fee for a special truck with a gross
 7 2 weight registration exceeding eighteen tons but not exceeding
 7 3 nineteen tons shall be three hundred twenty-five dollars and
 7 4 for a gross weight registration exceeding nineteen tons but
 7 5 not exceeding twenty tons the registration fee shall be three
 7 6 hundred seventy-five dollars.

7 7 d. The additional registration fee for a special truck for
 7 8 a gross weight registration in excess of twenty tons is
 7 9 twenty-five dollars for each ton over twenty tons and not
 7 10 exceeding thirty-two tons.

7 11 2. A person convicted of or found by audit to be using a
 7 12 motor vehicle registered as a special truck for any purpose
 7 13 other than permitted by section 321.1, subsection 76, shall,
 7 14 in addition to any other penalty imposed by law, be required
 7 15 to pay regular motor vehicle registration fees upon such motor
 7 16 vehicle.

7 17 Sec. 7. Section 321.122, subsection 1, Code 2007, is
 7 18 amended to read as follows:

7 19 1. The annual registration fee for truck tractors, road
 7 20 tractors, and motor trucks, except 2010 and subsequent model
 7 21 year motor trucks required to be registered under section

~~7 22 321.109 and~~ motor trucks registered as special trucks, shall
 7 23 be based on the combined gross weight of the vehicle or
 7 24 combination of vehicles. All such trucks, truck tractors, or
 7 25 road tractors registered under this section shall be
 7 26 registered for a gross weight equal to or in excess of the
 7 27 unladen weight of the vehicle or combination of vehicles. The
 7 28 annual registration fee for such vehicles or combination of
 7 29 vehicles, except special trucks, shall be:

~~7 30 a. For a combined gross weight of three tons or less
 7 31 sixty-five dollars and a vehicle which is more than ten model
 7 32 years old fifty-five dollars and a vehicle which is more than
 7 33 thirteen model years old forty-five dollars and a vehicle
 7 34 which is more than fifteen years old thirty-five dollars.~~

~~7 35 b. For a combined gross weight exceeding three tons,
 8 1 Except as provided in paragraph "b", the annual registration
 8 2 fee for a combined gross weight of three tons or less shall be
 8 3 one hundred dollars and the annual registration fee for a
 8 4 combined gross weight exceeding three tons shall be as set~~

8 5 forth in the following schedule:

8 6 For a combined	And not	The annual
8 7 gross weight	exceeding:	registration
8 8 exceeding:		fee shall be:
8 9 3 Tons	4 Tons	\$ 80
		<u>120</u>
8 10 4 Tons	5 Tons	\$ 90
		<u>135</u>
8 11 5 Tons	6 Tons	\$ 105
		<u>150</u>
8 12 6 Tons	7 Tons	\$ 130
		<u>165</u>
8 13 7 Tons	8 Tons	\$ 165
		<u>175</u>
8 14 8 Tons	9 Tons	\$ 200
8 15 9 Tons	10 Tons	\$ 235
8 16 10 Tons	11 Tons	\$ 270
8 17 11 Tons	12 Tons	\$ 305
8 18 12 Tons	13 Tons	\$ 340
8 19 13 Tons	14 Tons	\$ 375
8 20 14 Tons	15 Tons	\$ 445
8 21 15 Tons	16 Tons	\$ 485
8 22 16 Tons	17 Tons	\$ 525
8 23 17 Tons	18 Tons	\$ 565
8 24 18 Tons	19 Tons	\$ 610
8 25 19 Tons	20 Tons	\$ 675
8 26 20 Tons	21 Tons	\$ 715
8 27 21 Tons	22 Tons	\$ 755
8 28 22 Tons	23 Tons	\$ 795
8 29 23 Tons	24 Tons	\$ 835
8 30 24 Tons	25 Tons	\$ 965
9 1 25 Tons	26 Tons	\$1,010
9 2 26 Tons	27 Tons	\$1,060
9 3 27 Tons	28 Tons	\$1,105
9 4 28 Tons	29 Tons	\$1,150
9 5 29 Tons	30 Tons	\$1,200
9 6 30 Tons	31 Tons	\$1,245
9 7 31 Tons	32 Tons	\$1,295
9 8 32 Tons	33 Tons	\$1,340

9	9	33 Tons	.....	34 Tons	.....	\$1,415
9	10	34 Tons	.....	35 Tons	.....	\$1,465
9	11	35 Tons	.....	36 Tons	.....	\$1,510
9	12	36 Tons	.....	37 Tons	.....	\$1,555
9	13	37 Tons	.....	38 Tons	.....	\$1,605
9	14	38 Tons	.....	39 Tons	.....	\$1,650
9	15	39 Tons	.....	40 Tons	.....	\$1,695

9 16 b. For a combined gross weight of eight tons or less, if
9 17 the motor vehicle has been titled in the same person's name
9 18 since the motor vehicle was new or the title to the motor
9 19 vehicle was transferred prior to January 1, 2009, the
9 20 following applies:

9 21 (1) For a combined gross weight of three tons or less, the
9 22 annual registration fee shall be the same as the fee paid by
9 23 the owner of the motor vehicle for the previous registration
9 24 year, which shall be sixty-five dollars or less.

9 25 (2) For a combined gross weight exceeding three tons but
9 26 not exceeding eight tons, the annual registration fee shall be
9 27 as set forth in the following schedule:

9 28	<u>For a combined</u>	<u>And not</u>	<u>The annual</u>
9 29	<u>gross weight</u>	<u>exceeding:</u>	<u>registration</u>
9 30	<u>exceeding:</u>		<u>fee shall be:</u>
9 31	<u>3 Tons</u>	<u>4 Tons</u>	<u>\$ 80</u>
9 32	<u>4 Tons</u>	<u>5 Tons</u>	<u>\$ 90</u>
9 33	<u>5 Tons</u>	<u>6 Tons</u>	<u>\$ 105</u>
9 34	<u>6 Tons</u>	<u>7 Tons</u>	<u>\$ 130</u>
9 35	<u>7 Tons</u>	<u>8 Tons</u>	<u>\$ 165</u>

10 1 c. For a combined gross weight exceeding forty tons, the
10 2 annual registration fee shall be one thousand six hundred
10 3 ninety-five dollars plus eighty dollars for each ton over
10 4 forty tons.

10 5 Sec. 8. EFFECTIVE DATE AND APPLICABILITY. This division
10 6 of this Act takes effect January 1, 2009, and applies to
10 7 vehicles registered for registration years beginning in 2009
10 8 and subsequent years.

10 9 DIVISION II
10 10 TITLE FEES

10 11 Sec. 9. Section 312.2, Code Supplement 2007, is amended by
10 12 adding the following new subsection:

10 13 NEW SUBSECTION. 20. a. The treasurer of state, before
10 14 making the allotments provided for in this section, shall
10 15 credit monthly to the TIME=21 fund created in section 312A.2,
10 16 an amount equal to ten dollars from each fee for issuance of a
10 17 certificate of title collected pursuant to sections 321.20;
10 18 321.20A; 321.23; 321.42; 321.46, other than a title issued for
10 19 a returned vehicle under section 322G.12; section 321.47; and
10 20 section 321.109 and an amount equal to eight dollars from each
10 21 fee collected for issuance of a certificate of title pursuant
10 22 to section 321.46 for a returned vehicle under section 322G.12
10 23 and from each fee collected for issuance of a salvage
10 24 certificate of title pursuant to section 321.52.

10 25 b. This subsection is repealed June 30, 2028.

10 26 Sec. 10. Section 321.20, subsection 1, unnumbered
10 27 paragraph 1, Code 2007, is amended to read as follows:

10 28 Except as provided in this chapter, an owner of a vehicle
10 29 subject to registration shall make application to the county
10 30 treasurer of the county of the owner's residence, or if a
10 31 nonresident, to the county treasurer of the county where the
10 32 primary users of the vehicle are located, or if a lessor of
10 33 the vehicle pursuant to chapter 321F which vehicle has a gross
10 34 vehicle weight of less than ten thousand pounds, to the county
10 35 treasurer of the county of the lessee's residence, or if a
11 1 firm, association, or corporation with vehicles in multiple
11 2 counties, the owner may make application to the county
11 3 treasurer of the county where the primary user of the vehicle
11 4 is located, for the registration and issuance of a certificate
11 5 of title for the vehicle upon the appropriate form furnished
11 6 by the department. However, upon the transfer of ownership,
11 7 the owner of a vehicle subject to the proportional
11 8 registration provisions of chapter 326 shall make application
11 9 for registration and issuance of a certificate of title to
11 10 either the department or the appropriate county treasurer.
11 11 The application shall be accompanied by a fee of ~~ten~~ twenty
11 12 dollars, and shall bear the owner's signature. A nonresident
11 13 owner of two or more vehicles subject to registration may make
11 14 application for registration and issuance of a certificate of
11 15 title for all vehicles subject to registration to the county
11 16 treasurer of the county where the primary user of any of the
11 17 vehicles is located. The owner of a mobile home or
11 18 manufactured home shall make application for a certificate of
11 19 title under this section from the county treasurer of the

11 20 county where the mobile home or manufactured home is located.
11 21 The application shall contain:

11 22 Sec. 11. Section 321.20A, subsection 1, Code 2007, is
11 23 amended to read as follows:

11 24 1. Notwithstanding other provisions of this chapter, the
11 25 owner of a commercial vehicle subject to the proportional
11 26 registration provisions of chapter 326 may make application to
11 27 the department or the appropriate county treasurer for a
11 28 certificate of title. The application for certificate of
11 29 title shall be made within thirty days of purchase or transfer
11 30 and shall be accompanied by a ~~ten~~ twenty dollar title fee and
11 31 the appropriate use tax. The department or the county
11 32 treasurer shall deliver the certificate of title to the owner
11 33 if there is no security interest. If there is a security
11 34 interest, the title, when issued, shall be delivered to the
11 35 first secured party. Delivery may be made using electronic
12 1 means.

12 2 Sec. 12. Section 321.23, subsections 1 and 4, Code 2007,
12 3 are amended to read as follows:

12 4 1. If the vehicle to be registered is a specially
12 5 constructed, reconstructed, or foreign vehicle, such fact
12 6 shall be stated in the application. A fee of ~~ten~~ twenty
12 7 dollars shall be paid by the person making the application
12 8 upon issuance of a certificate of title by the county
12 9 treasurer. For a specially constructed or reconstructed motor
12 10 vehicle subject to registration, the application shall be
12 11 accompanied by a statement from the department authorizing the
12 12 motor vehicle to be titled and registered in this state. The
12 13 department shall cause a physical inspection to be made of all
12 14 specially constructed or reconstructed motor vehicles, upon
12 15 application for a certificate of title by the owner, to
12 16 determine whether the motor vehicle complies with the
12 17 definition of specially constructed motor vehicle or
12 18 reconstructed motor vehicle in this chapter and to determine
12 19 that the integral component parts are properly identified and
12 20 that the rightful ownership is established before issuing the
12 21 owner the authority to have the motor vehicle registered and
12 22 titled. The purpose of the physical inspection under this
12 23 section is not to determine whether the motor vehicle is in a
12 24 condition safe to operate. The owner of a specially
12 25 constructed or reconstructed vehicle shall apply for a
12 26 certificate of title and registration for the vehicle at the
12 27 county treasurer's office within thirty days of the
12 28 inspection. For a foreign vehicle which has been registered
12 29 outside this state, the owner shall surrender to the treasurer
12 30 all registration plates, registration cards, and certificates
12 31 of title, or if the vehicle to be registered is from a
12 32 nontitle state, the evidence of foreign registration and
12 33 ownership as may be prescribed by the department except as
12 34 provided in subsection 2.

12 35 4. A vehicle which does not meet the equipment
13 1 requirements of this chapter due to the particular use for
13 2 which it is designed or intended, may be registered by the
13 3 department upon payment of appropriate fees and after
13 4 inspection and certification by the department that the
13 5 vehicle is not in an unsafe condition. A person is not
13 6 required to have a certificate of title to register a vehicle
13 7 under this subsection. If the owner elects to have a
13 8 certificate of title issued for the vehicle, a fee of ~~ten~~
13 9 twenty dollars shall be paid by the person making the
13 10 application upon issuance of a certificate of title. If the
13 11 department's inspection reveals that the vehicle may be safely
13 12 operated only under certain conditions or on certain types of
13 13 roadways, the department may restrict the registration to
13 14 limit operation of the vehicle to the appropriate conditions
13 15 or roadways. This subsection does not apply to snowmobiles as
13 16 defined in section 321G.1. Section 321.382 does not apply to
13 17 a vehicle registered under this subsection which is operated
13 18 exclusively by a person with a disability who has obtained a
13 19 persons with disabilities parking permit as provided in
13 20 section 321L.2, if the persons with disabilities parking
13 21 permit is carried in or on the vehicle and shown to a peace
13 22 officer on request.

13 23 Sec. 13. Section 321.42, subsection 2, paragraph a, Code
13 24 2007, is amended to read as follows:

13 25 a. If a certificate of title is lost or destroyed, the
13 26 owner or lienholder shall apply for a replacement copy of the
13 27 original certificate of title. The owner or lienholder of a
13 28 motor vehicle may also apply for a replacement copy of the
13 29 original certificate of title upon surrender of the original
13 30 certificate of title with the application. The application

13 31 shall be made to the department or county treasurer who issued
13 32 the original certificate of title. The application shall be
13 33 signed by the owner or lienholder and accompanied by a fee of
13 34 ~~ten~~ twenty dollars.

13 35 Sec. 14. Section 321.46, subsection 2, Code 2007, is
14 1 amended to read as follows:

14 2 2. Upon filing the application for a new registration and
14 3 a new title, the applicant shall pay a title fee of ~~ten~~ twenty
14 4 dollars and a registration fee prorated for the remaining
14 5 unexpired months of the registration year. A manufacturer
14 6 applying for a certificate of title pursuant to section
14 7 322G.12 shall pay a title fee of ~~two~~ ten dollars. However, a
14 8 title fee shall not be charged to a manufactured or mobile
14 9 home retailer applying for a certificate of title for a used
14 10 mobile home or manufactured home, titled in Iowa, as required
14 11 under section 321.45, subsection 4. The county treasurer, if
14 12 satisfied of the genuineness and regularity of the
14 13 application, and in the case of a mobile home or manufactured
14 14 home, that taxes are not owing under chapter 435, and that
14 15 applicant has complied with all the requirements of this
14 16 chapter, shall issue a new certificate of title and, except
14 17 for a mobile home, manufactured home, or a vehicle returned to
14 18 and accepted by a manufacturer as described in section
14 19 322G.12, a registration card to the purchaser or transferee,
14 20 shall cancel the prior registration for the vehicle, and shall
14 21 forward the necessary copies to the department on the date of
14 22 issuance, as prescribed in section 321.24. Mobile homes or
14 23 manufactured homes titled under chapter 448 that have been
14 24 subject under section 446.18 to a public bidder sale in a
14 25 county shall be titled in the county's name, with no fee, and
14 26 the county treasurer shall issue the title.

14 27 Sec. 15. Section 321.47, unnumbered paragraph 1, Code
14 28 2007, is amended to read as follows:

14 29 If ownership of a vehicle is transferred by operation of
14 30 law upon inheritance, devise or bequest, dissolution decree,
14 31 order in bankruptcy, insolvency, replevin, foreclosure or
14 32 execution sale, abandoned vehicle sale, or when the engine of
14 33 a motor vehicle is replaced by another engine, or a vehicle is
14 34 sold or transferred to satisfy an artisan's lien as provided
14 35 in chapter 577, a landlord's lien as provided in chapter 570,
15 1 a storage lien as provided in chapter 579, a judgment in an
15 2 action for abandonment of a manufactured or mobile home as
15 3 provided in chapter 555B, upon presentation of an affidavit
15 4 relating to the disposition of a valueless mobile, modular, or
15 5 manufactured home as provided in chapter 555C, or repossession
15 6 is had upon default in performance of the terms of a security
15 7 agreement, the county treasurer in the transferee's county of
15 8 residence or, in the case of a mobile home or manufactured
15 9 home, the county treasurer of the county where the mobile home
15 10 or manufactured home is located, upon the surrender of the
15 11 prior certificate of title or the manufacturer's or importer's
15 12 certificate, or when that is not possible, upon presentation
15 13 of satisfactory proof to the county treasurer of ownership and
15 14 right of possession to the vehicle and upon payment of a fee
15 15 of ~~ten~~ twenty dollars and the presentation of an application
15 16 for registration and certificate of title, may issue to the
15 17 applicant a registration card for the vehicle and a
15 18 certificate of title to the vehicle. A person entitled to
15 19 ownership of a vehicle under a decree of dissolution shall
15 20 surrender a reproduction of a certified copy of the
15 21 dissolution and upon fulfilling the other requirements of this
15 22 chapter is entitled to a certificate of title and registration
15 23 receipt issued in the person's name.

15 24 Sec. 16. Section 321.52, subsection 4, paragraph a, Code
15 25 Supplement 2007, is amended to read as follows:

15 26 a. A vehicle rebuilder or a person engaged in the business
15 27 of buying, selling, or exchanging vehicles of a type required
15 28 to be registered in this state, upon acquisition of a wrecked
15 29 or salvage vehicle, shall surrender the certificate of title
15 30 or manufacturer's or importer's statement of origin properly
15 31 assigned, together with an application for a salvage
15 32 certificate of title, to the county treasurer of the county of
15 33 residence of the purchaser or transferee within thirty days
15 34 after the date of assignment of the certificate of title for
15 35 the wrecked or salvage motor vehicle. This subsection applies
16 1 only to vehicles with a fair market value of five hundred
16 2 dollars or more, based on the value before the vehicle became
16 3 wrecked or salvage. Upon payment of a fee of ~~two~~ ten dollars,
16 4 the county treasurer shall issue a salvage certificate of
16 5 title which shall bear the word "SALVAGE" stamped or printed
16 6 on the face of the title in a manner prescribed by the

16 7 department. A salvage certificate of title may be assigned to
16 8 an educational institution, a new motor vehicle dealer
16 9 licensed under chapter 322, a person engaged in the business
16 10 of purchasing bodies, parts of bodies, frames or component
16 11 parts of vehicles for sale as scrap metal, a salvage pool, or
16 12 an authorized vehicle recycler licensed under chapter 321H.
16 13 An authorized vehicle recycler licensed under chapter 321H or
16 14 a new motor vehicle dealer licensed under chapter 322 may
16 15 assign or reassign an Iowa salvage certificate of title or a
16 16 salvage certificate of title from another state to any person,
16 17 and the provisions of section 321.24, subsection 5, requiring
16 18 issuance of an Iowa salvage certificate of title shall not
16 19 apply. A vehicle on which ownership has transferred to an
16 20 insurer of the vehicle as a result of a settlement with the
16 21 owner of the vehicle arising out of damage to, or unrecovered
16 22 theft of, the vehicle shall be deemed to be a wrecked or
16 23 salvage vehicle and the insurer shall comply with this
16 24 subsection to obtain a salvage certificate of title within
16 25 thirty days after the date of assignment of the certificate of
16 26 title of the vehicle.

16 27 Sec. 17. Section 321.109, subsection 1, paragraph a, Code
16 28 2007, is amended to read as follows:

16 29 a. The annual fee for all motor vehicles including
16 30 vehicles designated by manufacturers as station wagons, and
16 31 1993 and subsequent model years for multipurpose vehicles,
16 32 except motor trucks, motor homes, ambulances, hearses,
16 33 motorcycles, motorized bicycles, and 1992 and older model
16 34 years for multipurpose vehicles, shall be equal to one percent
16 35 of the value as fixed by the department plus forty cents for
17 1 each one hundred pounds or fraction thereof of weight of
17 2 vehicle, as fixed by the department. The weight of a motor
17 3 vehicle, fixed by the department for registration purposes,
17 4 shall include the weight of a battery, heater, bumpers, spare
17 5 tire, and wheel. Provided, however, that for any new vehicle
17 6 purchased in this state by a nonresident for removal to the
17 7 nonresident's state of residence the purchaser may make
17 8 application to the county treasurer in the county of purchase
17 9 for a transit plate for which a fee of ten dollars shall be
17 10 paid. And provided, however, that for any used vehicle held
17 11 by a registered dealer and not currently registered in this
17 12 state, or for any vehicle held by an individual and currently
17 13 registered in this state, when purchased in this state by a
17 14 nonresident for removal to the nonresident's state of
17 15 residence, the purchaser may make application to the county
17 16 treasurer in the county of purchase for a transit plate for
17 17 which a fee of three dollars shall be paid. The county
17 18 treasurer shall issue a nontransferable certificate of
17 19 registration for which no refund shall be allowed; and the
17 20 transit plates shall be void thirty days after issuance. Such
17 21 purchaser may apply for a certificate of title by surrendering
17 22 the manufacturer's or importer's certificate or certificate of
17 23 title, duly assigned as provided in this chapter. In this
17 24 event, the treasurer in the county of purchase shall, when
17 25 satisfied with the genuineness and regularity of the
17 26 application, and upon payment of a fee of ~~ten~~ twenty dollars,
17 27 issue a certificate of title in the name and address of the
17 28 nonresident purchaser delivering the title to the owner. If
17 29 there is a security interest noted on the title, the county
17 30 treasurer shall mail to the secured party an acknowledgment of
17 31 the notation of the security interest. The county treasurer
17 32 shall not release a security interest that has been noted on a
17 33 title issued to a nonresident purchaser as provided in this
17 34 paragraph. The application requirements of section 321.20
18 35 apply to a title issued as provided in this subsection, except
18 1 that a natural person who applies for a certificate of title
18 2 shall provide either the person's social security number,
18 3 passport number, or driver's license number, whether the
18 4 license was issued by this state, another state, or another
18 5 country. The provisions of this subsection relating to
18 6 multipurpose vehicles are effective January 1, 1993, for all
18 7 1993 and subsequent model years. The annual registration fee
18 8 for multipurpose vehicles that are 1992 model years and older
18 9 shall be in accordance with section 321.124.

18 10 DIVISION III

18 11 TRAILER REGISTRATION FEES

18 12 Sec. 18. Section 312.2, Code Supplement 2007, is amended
18 13 by adding the following new subsection:

18 14 NEW SUBSECTION. 21. a. The treasurer of state, before
18 15 making the allotments provided for in this section, shall
18 16 credit monthly to the TIME=21 fund created in section 312A.2
18 17 an amount equal to ten dollars from each trailer registration

18 18 fee collected pursuant to section 321.123, subsection 1,
18 19 paragraph "a", subparagraph (1), twenty dollars from each
18 20 trailer registration fee collected pursuant to section
18 21 321.123, subsection 1, paragraph "a", subparagraph (2), and
18 22 one-third of the amount collected from trailer registration
18 23 fees pursuant to section 321.123, subsection 2.
18 24 b. This subsection is repealed June 30, 2028.
18 25 Sec. 19. Section 321.122, subsection 2, Code 2007, is
18 26 amended by striking the subsection.

18 27 Sec. 20. Section 321.123, Code 2007, is amended to read as
18 28 follows:

18 29 321.123 TRAILERS.

18 30 1. a. All trailers except farm trailers, mobile homes,
18 31 and manufactured homes, unless otherwise provided in this
18 32 section, are subject to a registration fee ~~of ten dollars.~~ as
18 33 follows:

18 34 (1) For trailers with an empty weight of two thousand
18 35 pounds or less, the annual registration fee is twenty dollars.

19 1 (2) For trailers with an empty weight in excess of two
19 2 thousand pounds, the annual registration fee is thirty
19 3 dollars.

19 4 b. Trailers for which the empty weight is two thousand
19 5 pounds or less are exempt from the certificate of title and
19 6 lien provisions of this chapter.

19 7 c. For trailers and semitrailers licensed under chapter
19 8 326, the annual registration fee for the permanent
19 9 registration plate shall be the applicable fee under paragraph
19 10 "a". The registration fees for a permanent registration
19 11 plate, at the option of the registrant, shall be remitted to
19 12 the department at five-year intervals or on an annual basis.

19 13 Fees collected under this section shall not be reduced or
19 14 prorated under chapter 326.

19 15 ~~1-~~ 2. a. Travel trailers and fifth-wheel travel trailers,
19 16 except those in manufacturer's or dealer's stock, shall be
19 17 subject to an annual fee of ~~twenty~~ thirty cents per square
19 18 foot of floor space computed on the exterior overall
19 19 measurements, but excluding three feet occupied by any trailer
19 20 hitch as provided by and certified to by the owner, to the
19 21 nearest whole dollar. When a travel trailer or fifth-wheel
19 22 travel trailer is registered in Iowa for the first time or
19 23 when title is transferred, the annual fee shall be prorated on
19 24 a monthly basis. The annual fee shall be reduced to
19 25 seventy-five percent of the full fee after the vehicle is more
19 26 than six model years old.

19 27 b. A travel trailer may be stored under section 321.134,
19 28 provided the travel trailer is not used for human habitation
19 29 for any period during storage and is not moved upon the
19 30 highways of the state. A travel trailer stored under section
19 31 321.134 is not subject to a manufactured or mobile home tax
19 32 assessed under chapter 435.

19 33 ~~2-~~ 3. Motor trucks or truck tractors pulling trailers or
19 34 semitrailers shall be registered for the combined gross weight
19 35 of the motor truck or truck tractor and trailer or
20 1 semitrailer, except that:

20 2 a. Motor trucks registered for six tons or less not used
20 3 for hire, pulling trailers or semitrailers used by a person
20 4 engaged in farming to transport commodities produced by the
20 5 owner, or to transport commodities or livestock purchased by
20 6 the owner for use in the owner's own farming operation or used
20 7 by any person to transport horses shall not be subject to
20 8 registration for the gross weight of such trailer or
20 9 semitrailer provided the combined gross weight does not exceed
20 10 twelve tons, plus the tolerance provided for in section
20 11 321.466.

20 12 b. Motor trucks registered for six tons or less not used
20 13 for hire, pulling trailers or semitrailers used by a person in
20 14 the person's own operations shall not be subject to
20 15 registration for the gross weight of such trailer or
20 16 semitrailer provided the combined gross weight does not exceed
20 17 eight tons, plus the tolerance provided for in section
20 18 321.466.

20 19 Sec. 21. EFFECTIVE DATE AND APPLICABILITY. This division
20 20 of this Act takes effect January 1, 2009, and applies to
20 21 trailers registered for registration years beginning in 2009
20 22 and subsequent years.

20 23 DIVISION IV

20 24 MOTORCYCLE OPERATOR'S LICENSE FEE

20 25 Sec. 22. Section 321.191, subsection 5, Code 2007, is
20 26 amended to read as follows:

20 27 5. LICENSES VALID FOR MOTORCYCLES. An additional fee of
20 28 ~~one dollar~~ two dollars per year of license validity is

20 29 required to issue a license valid to operate a motorcycle.

20 30 DIVISION V

20 31 USE TAX ON MOTOR VEHICLES REPEALED ==

20 32 FEE FOR NEW REGISTRATION IMPOSED

20 33 PART 1

20 34 ROAD USE TAX FUND

20 35 Sec. 23. Section 312.1, Code 2007, is amended to read as
21 1 follows:

21 2 312.1 FUND CREATED.

21 3 1. There is hereby created, in the state treasury, a road
21 4 use tax fund. ~~Said~~ The road use tax fund shall ~~embrace and~~
21 5 include all of the following:

21 6 ~~1-~~ a. All the net proceeds of the registration of motor
21 7 vehicles under chapter 321.

21 8 ~~2-~~ b. All the net proceeds of the motor fuel tax or
21 9 license fees under chapter 452A.

21 10 ~~3-~~ c. Revenue derived from the excise tax imposed upon
21 11 the rental of automobiles, under chapter 423C, as to the
21 12 extent provided by section 423C.5.

~~21 13 4. To the extent provided in section 423.43, subsection 1,
21 14 paragraph "b", from revenue derived from the use tax, under
21 15 chapter 423 on motor vehicles, trailers, and motor vehicle
21 16 accessories and equipment.~~

21 17 ~~5-~~ d. Any other funds which may by law be credited to the
21 18 road use tax fund.

21 19 2. Notwithstanding section 12C.7, subsection 2, interest
21 20 or earnings on investments or time deposits of the moneys in
21 21 the road use tax fund and the funds to which moneys from the
21 22 road use tax fund are credited shall be credited to the road
21 23 use tax fund.

21 24 Sec. 24. Section 312.2, subsections 14 and 16, Code
21 25 Supplement 2007, are amended by striking the subsections.

21 26 Sec. 25. Section 312.2, Code Supplement 2007, is amended
21 27 by adding the following new subsection:

21 28 NEW SUBSECTION. 19. The treasurer of state, before making
21 29 the allotments provided for in this section, shall credit
21 30 monthly from the road use tax fund to the primary road fund an
21 31 amount equal to ten percent of the revenues collected from the
21 32 operation of section 321.105A, subsection 2, to be used for
21 33 the commercial and industrial highway network.

21 34 Sec. 26. Section 321.52A, Code 2007, is amended to read as
21 35 follows:

22 1 321.52A CERTIFICATE OF TITLE SURCHARGE == ALLOCATION OF
22 2 MONEYS.

22 3 ~~1-~~ In addition to the fee required for the issuance of a
22 4 certificate of title under section 321.20, 321.20A, 321.23,
22 5 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge
22 6 of five dollars shall be required. Of each surcharge
22 7 collected under those sections, the county treasurer shall
22 8 remit five dollars to the office of treasurer of state for
22 9 deposit as set forth in section 321.145, subsection 2.

~~22 10 2. For the fiscal year beginning July 1, 2002, through the
22 11 fiscal year beginning July 1, 2006, the treasurer of state
22 12 shall deposit twenty percent of the moneys received under
22 13 subsection 1 in the waste tire management fund and deposit the
22 14 remainder in the road use tax fund. For the fiscal year
22 15 beginning July 1, 2007, and each subsequent fiscal year, the
22 16 treasurer of state shall deposit the entire amount of moneys
22 17 received under subsection 1 in the road use tax fund.~~

22 18 Sec. 27. Section 321.145, Code 2007, is amended to read as
22 19 follows:

22 20 321.145 DISPOSITION OF MONEYS AND FEES.

22 21 1. Except for fines, forfeitures, court costs, and the
22 22 collection fees retained by the county treasurer pursuant to
22 23 section 321.152, and except as provided in subsection 2,
22 24 moneys and motor vehicle license registration fees collected
22 25 under this chapter shall be credited by the treasurer of state
22 26 to the road use tax fund.

~~22 27 2. Revenues derived from trailer registration fees
22 28 collected pursuant to sections 321.105 and 321.105A, fees
22 29 charged for driver's licenses and nonoperator's identification
22 30 cards, fees charged for the issuance of a certificate of
22 31 title, the certificate of title surcharge collected pursuant
22 32 to section 321.52A, and revenues as necessary pursuant to
22 33 section 423.43, subsection 2, and section 423C.5 shall be
22 34 credited as follows:~~

~~22 35 a. Four million two hundred fifty thousand dollars per
23 1 quarter shall be deposited into and credited to the Iowa
23 2 comprehensive petroleum underground storage tank fund created
23 3 in section 455G.3, and the moneys so deposited are a
23 4 continuing appropriation for expenditure under chapter 455G.~~

23 5 and moneys so appropriated shall not be used for other
23 6 purposes.

23 7 b. Moneys remaining after the operation of paragraph "a"
23 8 shall be credited in order of priority as follows:

23 9 (1) An amount equal to four percent of the revenue from
23 10 the operation of section 321.105A, subsection 2, shall be
23 11 credited to the department, to be used for purposes of public
23 12 transit assistance under chapter 324A.

23 13 (2) An amount equal to two dollars per year of license
23 14 validity for each issued or renewed driver's license which is
23 15 valid for the operation of a motorcycle shall be credited to
23 16 the motorcycle rider education fund established under section
23 17 321.180B.

23 18 (3) The amounts required to be transferred pursuant to
23 19 section 321.34 from revenues available under this subsection
23 20 shall be transferred and credited as provided in section
23 21 321.34, subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18,
23 22 19, 20, 20A, 20B, 21, 22, 23, and 24 for the various purposes
23 23 specified in those subsections.

23 24 (4) Amounts certified by the railway finance authority
23 25 pursuant to section 327I.25 and appropriated to the authority
23 26 pursuant to section 327I.26, not to exceed two million dollars
23 27 annually.

23 28 (5) The department may direct the treasurer of state to
23 29 credit to the primary road fund any amount of such revenues to
23 30 the extent necessary to reimburse that fund for the
23 31 expenditures not otherwise eligible to be made from the
23 32 primary road fund, which are made for repairing, improving,
23 33 and maintaining bridges over the rivers bordering the state.

23 34 Expenditures for those portions of bridges within adjacent
23 35 states may be included when they are made pursuant to an
24 1 agreement entered into under section 313.63, 313A.34, or
24 2 314.10.

24 3 c. Any such revenues remaining shall be credited to the
24 4 road use tax fund.

24 5 Sec. 28. Section 423C.5, Code 2007, is amended to read as
24 6 follows:

24 7 423C.5 DEPOSIT OF REVENUE.

24 8 The department, at the direction of the department of
24 9 transportation, shall credit the revenue arising from the
24 10 operation of this chapter ~~shall be credited, as necessary to~~
24 11 ~~supplement the funds available for the purposes specified in~~
24 12 ~~section 321.145, subsection 2. Any such revenue remaining~~
24 13 ~~shall be credited to the road use tax fund.~~

24 14 PART 2

24 15 FEE FOR NEW VEHICLE REGISTRATION

24 16 Sec. 29. Section 321.1, Code 2007, is amended by adding
24 17 the following new subsection:

24 18 NEW SUBSECTION. 59A. "Registration fees", unless
24 19 otherwise specified, means both the annual vehicle
24 20 registration fee and the fee for new registration, to the
24 21 extent applicable, for purposes of administering the
24 22 provisions of this chapter concerning vehicle registration
24 23 fees.

24 24 Sec. 30. Section 321.2, Code 2007, is amended to read as
24 25 follows:

24 26 321.2 DEPARTMENT.

24 27 1. ~~The~~ Except as otherwise provided by law, the state
24 28 department of transportation shall administer and enforce the
24 29 provisions of this chapter.

24 30 2. The division of state patrol of the department of
24 31 public safety shall enforce the provisions of this chapter
24 32 relating to traffic on the public highways of the state,
24 33 including those relating to the safe and legal operation of
24 34 passenger cars, motorcycles, motor trucks and buses, and to
24 35 see that proper safety rules are observed.

25 1 3. The state department of transportation and the
25 2 department of public safety shall cooperate to insure the
25 3 proper and adequate enforcement of the provisions of this
25 4 chapter.

25 5 4. The director of revenue shall administer and enforce
25 6 the collection of the fee for new registration as provided in
25 7 section 321.105A.

25 8 Sec. 31. NEW SECTION. 321.105A FEE FOR NEW REGISTRATION.

25 9 1. DEFINITIONS. The following terms, when used in this
25 10 section, shall have the following meanings, except in those
25 11 instances where the context clearly indicates otherwise:

25 12 a. "Department" means the department of revenue.

25 13 b. "Director" means the director of revenue.

25 14 c. "Owner" means as defined in section 321.1. For
25 15 purposes of the fee for new registration imposed on leased

25 16 vehicles under subsection 3, "owner" means the "lessor".

25 17 d. "Purchase" means any transfer, exchange, or barter,
25 18 conditional or otherwise, in any manner or by any means
25 19 whatsoever, for consideration.

25 20 2. In addition to the annual registration fee required
25 21 under section 321.105, a "fee for new registration" is imposed
25 22 in the amount of five percent of the purchase price for each
25 23 vehicle subject to registration. The fee for new registration
25 24 shall be paid by the owner of the vehicle to the county
25 25 treasurer at the time application is made for a new
25 26 registration and certificate of title for the vehicle. A new
25 27 registration receipt shall not be issued until the fee has
25 28 been paid. The county treasurer or the department of
25 29 transportation shall require every applicant for a new
25 30 registration receipt for a vehicle subject to registration to
25 31 supply information as the county treasurer or the director
25 32 deems necessary as to the time of purchase, the purchase
25 33 price, and other information relative to the purchase of the
25 34 vehicle. On or before the tenth day of each month, the county
25 35 treasurer or the department of transportation shall remit to
26 1 the department of revenue the amount of the fees for new
26 2 registration collected during the preceding month.

26 3 a. For purposes of this subsection, "purchase price"
26 4 applies to the measure subject to the fee for new
26 5 registration. "Purchase price" shall be determined in the
26 6 same manner as "sales price" is determined for purposes of
26 7 computing the tax imposed upon the sales price of tangible
26 8 personal property under chapter 423, pursuant to the
26 9 definition in section 423.1, subsection 47, subject to the
26 10 following exemptions:

26 11 (1) Exempted from the purchase price of any vehicle
26 12 subject to registration is the amount of any cash rebate which
26 13 is provided by a motor vehicle manufacturer to the purchaser
26 14 of the vehicle subject to registration so long as the rebate
26 15 is applied to the purchase price of the vehicle.

26 16 (2) (a) In transactions, except those subject to
26 17 subparagraph subdivision (b), in which a vehicle subject to
26 18 registration is traded toward the purchase price of another
26 19 vehicle subject to registration, the purchase price is only
26 20 that portion of the purchase price which is valued in money,
26 21 whether received in money or not, if the following conditions
26 22 are met:

26 23 (i) The vehicle traded to the retailer is the type of
26 24 vehicle normally sold in the regular course of the retailer's
26 25 business.

26 26 (ii) The vehicle traded to the retailer is intended by the
26 27 retailer to be ultimately sold at retail or is intended to be
26 28 used by the retailer or another in the remanufacturing of a
26 29 like vehicle.

26 30 (b) In a transaction between persons, neither of which is
26 31 a retailer of vehicles subject to registration, in which a
26 32 vehicle subject to registration is traded toward the purchase
26 33 price of another vehicle subject to registration, the amount
26 34 of the trade-in value allowed on the vehicle subject to
26 35 registration traded is exempted from the purchase price.

27 1 (c) In order for the trade-in value to be excluded from
27 2 the purchase price, the name or names on the title and
27 3 registration of the vehicle being purchased must be the same
27 4 name or names on the title and registration of the vehicle
27 5 being traded. The following trades qualify under this
27 6 subparagraph subdivision (c):

27 7 (i) A trade involving spouses, if the traded vehicle and
27 8 the acquired vehicle are titled in the name of one or both of
27 9 the spouses, with no outside party named on the title.

27 10 (ii) A trade involving a grandparent, parent, or child,
27 11 including adopted and step relationships, if the name of one
27 12 of the family members from the title of the traded vehicle is
27 13 also on the title of the newly acquired vehicle.

27 14 (iii) A trade involving a business, if one of the owners
27 15 listed on the title of the traded vehicle is a business, and
27 16 the names on the title are separated by "or".

27 17 (iv) A trade in which the vehicle being purchased is
27 18 titled in the name of an individual other than the owner of
27 19 the traded vehicle due to the cosigning requirements of a
27 20 financial institution.

27 21 (3) Exempted from the purchase price of a replacement
27 22 motor vehicle owned by a motor vehicle dealer licensed under
27 23 chapter 322 which is being registered by that dealer and is
27 24 not otherwise exempt from the fee for new registration is the
27 25 fair market value of a replaced motor vehicle if all of the
27 26 following conditions are met:

27 27 (a) The motor vehicle being registered is being placed in
27 28 service as a replacement motor vehicle for a motor vehicle
27 29 registered by the motor vehicle dealer.

27 30 (b) The motor vehicle being registered is taken from the
27 31 motor vehicle dealer's inventory.

27 32 (c) Use tax or the fee for new registration on the motor
27 33 vehicle being replaced was paid by the motor vehicle dealer
27 34 when that motor vehicle was registered.

27 35 (d) The replaced motor vehicle is returned to the motor
28 1 vehicle dealer's inventory for sale.

28 2 (e) The application for registration and title of the
28 3 motor vehicle being registered is filed with the county
28 4 treasurer within two weeks of the date the replaced motor
28 5 vehicle is returned to the motor vehicle dealer's inventory.

28 6 (f) The motor vehicle being registered is placed in the
28 7 same or substantially similar service as the replaced motor
28 8 vehicle.

28 9 b. For purposes of this subsection, the fee for new
28 10 registration on a vehicle registered in this state by the
28 11 manufacturer of that vehicle from a manufacturer's statement
28 12 of origin is calculated on the base value of fifty percent of
28 13 the retail list price of the vehicle.

28 14 c. The following are exempt from the fee for new
28 15 registration imposed under this subsection, as long as a valid
28 16 affidavit is filed with the county treasurer at the time of
28 17 application for registration:

28 18 (1) Entities listed in section 423.3, subsections 17, 18,
28 19 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that
28 20 those entities are exempt from the tax imposed on the sale of
28 21 tangible personal property, consisting of goods, wares, or
28 22 merchandise, sold at retail in the state to consumers or
28 23 users.

28 24 (2) Vehicles as defined in section 321.1, subsections 41,
28 25 64A, 71, 85, and 88, except such vehicles subject to
28 26 registration which are designed primarily for carrying
28 27 persons, when purchased for lease and actually leased to a
28 28 lessee for use outside the state of Iowa and the subsequent
28 29 sole use in Iowa is in interstate commerce or interstate
28 30 transportation.

28 31 (3) (a) Vehicles subject to registration which are
28 32 transferred from a business or individual conducting a
28 33 business within this state as a sole proprietorship,
28 34 partnership, or limited liability company to a corporation
28 35 formed by the sole proprietorship, partnership, or limited
29 1 liability company for the purpose of continuing the business
29 2 when all of the stock of the corporation so formed is owned by
29 3 the sole proprietor and the sole proprietor's spouse, by all
29 4 the partners in the case of a partnership, or by all the
29 5 members in the case of a limited liability company. This
29 6 exemption is equally available where the vehicles subject to
29 7 registration are transferred from a corporation to a sole
29 8 proprietorship, partnership, or limited liability company
29 9 formed by that corporation for the purpose of continuing the
29 10 business when all of the incidents of ownership are owned by
29 11 the same person or persons who were stockholders of the
29 12 corporation.

29 13 (b) This exemption also applies where the vehicles subject
29 14 to registration are transferred from a corporation as part of
29 15 the liquidation of the corporation to its stockholders if
29 16 within three months of such transfer the stockholders
29 17 retransfer those vehicles subject to registration to a sole
29 18 proprietorship, partnership, or limited liability company for
29 19 the purpose of continuing the business of the corporation when
29 20 all of the incidents of ownership are owned by the same person
29 21 or persons who were stockholders of the corporation.

29 22 (c) This exemption applies to corporations that have been
29 23 in existence for not longer than twenty-four months.

29 24 (4) Vehicles subject to registration which are transferred
29 25 from a corporation that is primarily engaged in the business
29 26 of leasing vehicles subject to registration to a corporation
29 27 that is primarily engaged in the business of leasing vehicles
29 28 subject to registration when the transferor and transferee
29 29 corporations are part of the same controlled group for federal
29 30 income tax purposes.

29 31 (5) (a) Vehicles registered or operated under chapter 326
29 32 and used substantially in interstate commerce. For purposes
29 33 of this subparagraph (5), "substantially in interstate
29 34 commerce" means that a minimum of twenty-five percent of the
29 35 miles operated by the vehicle accrues in states other than
30 1 Iowa. This subparagraph (5) applies only to vehicles which
30 2 are registered for a gross weight of thirteen tons or more.

30 3 (b) For purposes of this subparagraph (5), trailers and
30 4 semitrailers registered or operated under chapter 326 are
30 5 deemed to be used substantially in interstate commerce and to
30 6 be registered for a gross weight of thirteen tons or more.

30 7 (c) For the purposes of this subparagraph (5), if a
30 8 vehicle meets the requirement that twenty-five percent of the
30 9 miles operated accrues in states other than Iowa in each year
30 10 of the first four-year period of operation, the exemption from
30 11 the fee for new registration shall continue until the vehicle
30 12 is sold or transferred. If the vehicle is found to have not
30 13 met the exemption requirements or the exemption was revoked,
30 14 the value of the vehicle upon which the fee for new
30 15 registration shall be imposed is based on the original
30 16 purchase price if revocation or nonqualification for this
30 17 exemption occurs during the first year following registration.
30 18 If revocation or nonqualification for this exemption occurs
30 19 after the first year following registration, the value of the
30 20 vehicle upon which the fee shall be imposed is the book or
30 21 market value, whichever is less, at the time the exemption
30 22 requirements were not met or the exemption was revoked.

30 23 (6) Vehicles subject to registration in any state when
30 24 purchased for rental or registered and titled by a motor
30 25 vehicle dealer licensed pursuant to chapter 322 for rental
30 26 use, and held for rental for a period of one hundred twenty
30 27 days or more and actually rented for periods of sixty days or
30 28 less by a person regularly engaged in the business of renting
30 29 vehicles including but not limited to motor vehicle dealers
30 30 licensed pursuant to chapter 322 who rent automobiles to
30 31 users, if the rental of the vehicles is subject to taxation
30 32 under chapter 423C.

30 33 (7) Vehicles subject to registration in this state for
30 34 which the applicant for registration has paid to another state
30 35 a state sales, use, or occupational tax. However, if the tax
31 1 paid to another state is less than the fee for new
31 2 registration calculated for the vehicle, the difference shall
31 3 be the amount to be collected as the fee for new registration.

31 4 (8) A vehicle subject to registration in this state which
31 5 is owned by a person who has moved from another state with the
31 6 intention of changing residency to Iowa, provided that the
31 7 vehicle was purchased for use in the state from which the
31 8 applicant moved and was not, at or near the time of purchase,
31 9 purchased for use in Iowa.

31 10 (9) A vehicle that was previously registered in this state
31 11 and was subsequently registered in another state is not
31 12 subject to the fee for new registration when it is again
31 13 registered in this state, provided that the applicant for
31 14 registration has maintained ownership of the vehicle since its
31 15 initial registration in this state and has previously paid the
31 16 use tax or fee for new registration for the vehicle in this
31 17 state.

31 18 (10) Vehicles transferred by operation of law as provided
31 19 in section 321.47.

31 20 (11) Vehicles for which ownership is transferred to or
31 21 from a revocable or irrevocable trust, if no consideration is
31 22 present.

31 23 (12) Vehicles transferred to the surviving corporation for
31 24 no consideration as a result of a corporate merger according
31 25 to the laws of this state in which the merging corporation is
31 26 immediately extinguished and dissolved.

31 27 (13) Vehicles purchased in this state by a nonresident for
31 28 removal to the nonresident's state of residence if the
31 29 purchaser applies to the county treasurer for a transit plate
31 30 under section 321.109.

31 31 (14) Vehicles purchased by a licensed motor vehicle dealer
31 32 for resale.

31 33 (15) Vehicles purchased by a licensed wholesaler of new
31 34 motor vehicles for resale.

31 35 (16) Homemade vehicles built from parts purchased at
32 1 retail, upon which the consumer paid a tax to the seller, but
32 2 only on such vehicles never before registered. This exemption
32 3 does not apply for vehicles subject to registration which are
32 4 made by a manufacturer engaged in the business for the purpose
32 5 of sales or rental.

32 6 (17) Vehicles titled under a salvage certificate of title.
32 7 However, when such a vehicle has been repaired and a regular
32 8 certificate of title is applied for, the fee for new
32 9 registration is due as follows:

32 10 (a) If the owner of the vehicle is a licensed recycler,
32 11 unless the applicant is licensed as a vehicle dealer, the fee
32 12 for new registration applies based on the fair market value of
32 13 the vehicle, with deduction allowed for the cost of parts,

32 14 supplies, and equipment for which sales tax was paid and which
32 15 were used to rebuild the vehicle.

32 16 (b) If the owner is a person who is not licensed as a
32 17 recycler or vehicle dealer, the fee for new registration
32 18 applies based on the fair market value of the vehicle, with
32 19 deduction allowed for the cost of parts, frames, chassis, auto
32 20 bodies, or supplies that were purchased to rebuild the vehicle
32 21 and for which sales tax was paid.

32 22 (18) A vehicle delivered to a resident Native American
32 23 Indian on the reservation.

32 24 (19) A vehicle transferred from one individual to another
32 25 as a gift in a transaction in which no consideration is
32 26 present.

32 27 (20) A vehicle given by a corporation as a gift to a
32 28 retiring employee.

32 29 (21) A vehicle sold by an entity where the profits from
32 30 the sale are used by or donated to a nonprofit entity which is
32 31 exempt from federal income taxation pursuant to section
32 32 501(c)(3) of the Internal Revenue Code, a government entity,
32 33 or a nonprofit private educational institution, and where the
32 34 entire proceeds from the sale of the vehicle are expended for
32 35 any of the following purposes:

33 1 (a) Educational.

33 2 (b) Religious.

33 3 (c) Charitable. A charitable act is an act done out of
33 4 goodwill, benevolence, and a desire to add to or to improve
33 5 the good of humankind in general or any class or portion of
33 6 humankind, with no pecuniary profit inuring to the person
33 7 performing the service or giving the gift.

33 8 (22) A vehicle given or sold to be subsequently awarded as
33 9 a raffle prize under chapter 99B.

33 10 (23) A vehicle won as a raffle prize under chapter 99B.

33 11 (24) A vehicle that is directly and primarily used in the
33 12 recycling or reprocessing of waste products.

33 13 (25) Vehicles purchased by a person who will rebuild those
33 14 vehicles into ambulances, rescue, or fire vehicles, provided
33 15 the person is a licensed wholesaler of new motor vehicles.

33 16 (26) A vehicle repossessed by a vehicle dealer pursuant to
33 17 the uniform commercial code, chapter 554, provided there is a
33 18 valid lien on the title and the dealer anticipates reselling
33 19 the vehicle.

33 20 (27) A vehicle repossessed by a financial institution or
33 21 an individual by means of a foreclosure affidavit pursuant to
33 22 the uniform commercial code, chapter 554, provided there is a
33 23 valid lien on the vehicle and the foreclosure affidavit is
33 24 used for the sole purpose of retaining possession of the
33 25 vehicle until a new buyer is found. However, if the financial
33 26 institution or individual uses the foreclosure affidavit to
33 27 take title to the vehicle and register the vehicle, the new
33 28 registration fee shall be due based on the outstanding loan
33 29 amount on the vehicle.

33 30 (28) A damaged vehicle acquired by an insurance company
33 31 from a client or financial institution, provided the insurance
33 32 company has a vehicle dealers license.

33 33 (29) A vehicle returned to a manufacturer and titled in
33 34 the manufacturer's name under section 322G.12.

33 35 (30) A vehicle purchased directly by a federal, state, or
34 1 local governmental agency and titled in an individual's name
34 2 pursuant to a governmental program authorized by law.

34 3 3. LEASED VEHICLES.

34 4 a. A fee for new registration is imposed in an amount
34 5 equal to five percent of the leased price for each vehicle
34 6 subject to registration with a gross vehicle weight rating of
34 7 less than sixteen thousand pounds, excluding motorcycles and
34 8 motorized bicycles, which is leased by a lessor licensed
34 9 pursuant to chapter 321F for a period of twelve months or
34 10 more. The fee for new registration shall be paid by the owner
34 11 of the vehicle to the county treasurer from whom the
34 12 registration receipt or certificate of title is obtained. A
34 13 registration receipt for a vehicle subject to registration or
34 14 issuance of a certificate of title shall not be issued until
34 15 the fee for new registration is paid in the initial instance.

34 16 b. The amount of the lease price subject to the fee for
34 17 new registration shall be computed on each separate lease
34 18 transaction by taking the total of the lease payments, plus
34 19 the down payment, and excluding the following charges, if
34 20 included as part of the lease payment:

34 21 (1) Title fee.

34 22 (2) Annual registration fees.

34 23 (3) Fee for new registration.

34 24 (4) Federal excise taxes attributable to the sale of the

34 25 vehicle to the owner or to the lease of the vehicle by the
34 26 owner.

34 27 (5) Optional service or warranty contracts subject to tax
34 28 pursuant to section 423.2, subsection 1.

34 29 (6) Insurance.

34 30 (7) Manufacturer's rebate.

34 31 (8) Refundable deposit.

34 32 (9) Finance charges, if any, on items listed in
34 33 subparagraphs (1) through (8).

34 34 c. If any or all of the items in paragraph "b",
34 35 subparagraphs (1) through (8), are excluded from the lease
35 1 price subject to the fee for new registration, the owner shall
35 2 maintain adequate records of the amounts of those items. If
35 3 the parties to a lease enter into an agreement providing that
35 4 the fee for new registration is to be paid by the lessee or
35 5 included in the monthly lease payments to be paid by the
35 6 lessee, the total cost of the fee for new registration shall
35 7 not be included in the computation of the lease price for the
35 8 purpose of the fee for new registration under this section.
35 9 The county treasurer or the department of transportation shall
35 10 require every applicant for a registration receipt for a
35 11 vehicle subject to a fee for new registration to supply
35 12 information as the county treasurer or the director deems
35 13 necessary as to the date of the lease transaction, the lease
35 14 price, and other information relative to the lease of the
35 15 vehicle.

35 16 d. On or before the tenth day of each month, the county
35 17 treasurer or the department of transportation shall remit to
35 18 the department of revenue the amount of the fees for new
35 19 registration collected during the preceding month.

35 20 e. If the lease is terminated prior to the termination
35 21 date contained in the lease agreement, no refund shall be
35 22 allowed for a fee for new registration previously paid under
35 23 this section, except as provided in section 322G.4.

35 24 4. ADMINISTRATION AND ENFORCEMENT == DIRECTOR OF REVENUE.

35 25 a. The director of revenue in consultation with the
35 26 department of transportation shall administer and enforce the
35 27 fee for new registration as nearly as possible in conjunction
35 28 with the administration and enforcement of the state use tax
35 29 law, except that portion of the law which implements the
35 30 streamlined sales and use tax agreement. The director shall
35 31 provide appropriate forms, or provide on the annual
35 32 registration forms provided by the department of
35 33 transportation, for reporting the fee for new registration
35 34 liability.

35 35 b. Section 422.25, subsection 4, sections 422.30, 422.67,
36 1 and 422.68, section 422.69, subsection 1, sections 422.70,
36 2 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
36 3 2, and sections 423.23, 423.24, 423.25, 423.32, 423.33,
36 4 423.35, 423.37 through 423.42, 423.45, and 423.47, consistent
36 5 with the provisions of this section, apply with respect to the
36 6 fees for new registration authorized under this section in the
36 7 same manner and with the same effect as if the fees for new
36 8 registration were retail use taxes within the meaning of those
36 9 statutes.

36 10 5. COLLECTIONS BY LICENSED DEALERS.

36 11 a. A licensed vehicle dealer maintaining a place of
36 12 business in this state who sells a vehicle subject to
36 13 registration for use in this state shall collect the fee for
36 14 new registration at the time of making the sale. A dealer
36 15 required to collect the fee for new registration shall give to
36 16 the purchaser a receipt for the fee in the manner and form
36 17 prescribed by the director. Fees collected by a dealer under
36 18 this section shall be forwarded to the county treasurer in the
36 19 same manner as annual registration fees.

36 20 b. If an amount of the fee for new registration
36 21 represented by a dealer to the purchaser of a vehicle is
36 22 computed upon a purchase price that is not subject to the fee
36 23 for new registration or the amount represented is in excess of
36 24 the actual amount subject to the fee and the amount
36 25 represented is actually paid by the purchaser to the dealer,
36 26 the excess amount of fee for new registration paid shall be
36 27 returned to the purchaser upon notification to the dealer by
36 28 the department that an excess payment exists.

36 29 c. If an amount of the fee for new registration
36 30 represented by a dealer to a purchaser is computed upon a
36 31 purchase price that is not subject to the fee for new
36 32 registration or the amount represented is in excess of the
36 33 actual amount subject to the fee and the amount represented is
36 34 actually paid by the purchaser to the dealer, the excess
36 35 amount of fee for new registration paid shall be returned to

37 1 the purchaser upon proper notification to the dealer by the
37 2 purchaser that an excess payment exists. "Proper"
37 3 notification is written notification which allows a dealer at
37 4 least sixty days to respond and which contains enough
37 5 information to allow a dealer to determine the validity of a
37 6 purchaser's claim that an excess amount of fee for new
37 7 registration has been paid. No cause of action shall accrue
37 8 against a dealer for excess fee for new registration paid
37 9 until sixty days after proper notice has been given the dealer
37 10 by the purchaser.

37 11 d. In the circumstances described in paragraphs "b" and
37 12 "c", a dealer has the option to either return any excess
37 13 amount of fee for new registration paid to a purchaser, or to
37 14 remit the amount which a purchaser has paid to the dealer to
37 15 the department.

37 16 6. REFUNDS.

37 17 a. A fee for new registration is not refundable, except in
37 18 the following circumstances:

37 19 (1) If a vehicle is sold and later returned to the seller
37 20 and the entire purchase price is refunded by the seller, the
37 21 purchaser is entitled to a refund of the fee for new
37 22 registration paid. To obtain a refund, the purchaser shall
37 23 make application on forms provided by the department and show
37 24 proof that the entire purchase price was returned and that the
37 25 fee for new registration had been paid.

37 26 (2) If a vehicle manufacturer reimburses a purchaser for
37 27 the fee for new registration paid on a returned defective
37 28 vehicle, the manufacturer may obtain a refund from the
37 29 department by providing proof that the fee was paid and the
37 30 purchaser reimbursed in accordance with the provisions of
37 31 chapter 322G.

37 32 (3) If the department determines that, as a result of a
37 33 mistake, an amount of the fee for new registration has been
37 34 paid which was not due, such amount shall be refunded to the
37 35 vehicle owner by the department.

38 1 b. A claim for refund under this subsection that has not
38 2 been filed with the department within three years after the
38 3 fee for new registration was paid shall not be allowed by the
38 4 director.

38 5 7. PENALTY FOR FALSE STATEMENT. A person who willfully
38 6 makes a false statement in regard to the purchase price of a
38 7 vehicle subject to a fee for new registration is guilty of a
38 8 fraudulent practice. A person who willfully makes a false
38 9 statement in regard to the purchase price of such a vehicle
38 10 with the intent to evade payment of the fee for new
38 11 registration shall be assessed a penalty of seventy-five
38 12 percent of the amount of the fee unpaid and required to be
38 13 paid on the actual purchase price less trade-in allowance.

38 14 PART 3

38 15 MOTOR VEHICLE USE TAX == REPEAL

38 16 Sec. 32. Section 423.6, subsection 6, Code 2007, is
38 17 amended to read as follows:

38 18 6. Tangible personal property or services the sales price
38 19 of which is exempt from the sales tax under section 423.3,
38 20 except subsections 39 and 73, as it relates to the sale, but
38 21 not the lease or rental, of vehicles ~~subject to registration~~
38 22 ~~or~~ subject only to the issuance of a certificate of title and
38 23 as it relates to aircraft subject to registration under
38 24 section 328.20.

38 25 Sec. 33. Section 423.6, subsections 8, 10, 11, 12, 16, 17,
38 26 18, 24, and 25, Code 2007, are amended by striking the
38 27 subsections.

38 28 Sec. 34. Section 423.14, subsection 2, paragraph a, Code
38 29 2007, is amended to read as follows:

38 30 a. The tax upon the use of all vehicles ~~subject to~~
38 31 ~~registration or~~ subject only to the issuance of a certificate
38 32 of title or the tax upon the use of manufactured housing shall
38 33 be collected by the county treasurer or the state department
38 34 of transportation pursuant to ~~sections~~ section 423.26 and
38 35 ~~423.27, subsection 1.~~ The county treasurer shall retain one
39 1 dollar from each tax payment collected, to be credited to the
39 2 county general fund.

39 3 Sec. 35. Section 423.26, Code 2007, is amended to read as
39 4 follows:

39 5 ~~423.26 VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE~~
39 6 ~~ISSUANCE OF TITLE == MANUFACTURED HOUSING == VEHICLE LEASE~~
39 7 ~~TRANSACTIONS NOT REQUIRING TITLE OR REGISTRATION.~~

39 8 1. a. The use tax imposed upon the use of vehicles
39 9 ~~subject to registration or~~ subject only to the issuance of a
39 10 certificate of title or imposed upon the use of manufactured
39 11 housing shall be paid by the owner of the vehicle or of the

39 12 manufactured housing to the county treasurer or the state
39 13 department of transportation from whom the ~~registration~~
~~39 14 receipt or certificate of title is obtained. A registration~~
~~39 15 receipt for a vehicle subject to registration or certificate~~
39 16 of title shall not be issued until the tax has been paid. The
39 17 county treasurer or the state department of transportation
39 18 shall require every applicant for a ~~registration receipt for a~~
~~39 19 vehicle subject to registration or certificate of title to~~
39 20 supply information as the county treasurer or the director
39 21 deems necessary as to the time of purchase, the purchase
39 22 price, installed purchase price, and other information
39 23 relative to the purchase of the vehicle or manufactured
39 24 housing. On or before the tenth day of each month, the county
39 25 treasurer or the state department of transportation shall
39 26 remit to the department the amount of the taxes collected
39 27 during the preceding month.

39 28 b. A person who willfully makes a false statement in
39 29 regard to the purchase price of a vehicle subject to taxation
39 30 under this ~~section~~ subsection is guilty of a fraudulent
39 31 practice. A person who willfully makes a false statement in
39 32 regard to the purchase price of such a vehicle with the intent
39 33 to evade the payment of tax shall be assessed a penalty of
39 34 seventy-five percent of the amount of tax unpaid and required
39 35 to be paid on the actual purchase price less trade-in
40 1 allowance.

40 2 2. a. The use tax imposed upon the use of leased vehicles
40 3 if the lease transaction does not require titling or
40 4 registration of the vehicle shall be remitted to the
40 5 department. Tax and the reporting of tax due to the
40 6 department shall be remitted on or before fifteen days from
40 7 the last day of the month that the tax becomes due. Failure
40 8 to timely report or remit any of the tax when due shall result
40 9 in a penalty and interest being imposed on the tax due
40 10 pursuant to section 423.40, subsection 1, and section 423.42,
40 11 subsection 1.

40 12 b. The amount subject to tax shall be computed on each
40 13 separate lease transaction by taking the total of the lease
40 14 payments, plus the down payment, and excluding all of the
40 15 following:

- 40 16 (1) Title fee.
- 40 17 (2) Registration fees.
- 40 18 (3) Use tax pursuant to this subsection.
- 40 19 (4) Federal excise taxes attributable to the sale of the
40 20 vehicle to the owner or to the lease of the vehicle by the
40 21 owner.
- 40 22 (5) Optional service or warranty contracts subject to tax
40 23 pursuant to section 423.2, subsection 1.
- 40 24 (6) Insurance.
- 40 25 (7) Manufacturer's rebate.
- 40 26 (8) Refundable deposit.
- 40 27 (9) Finance charges, if any, on items listed in
40 28 subparagraphs (1) through (8).

40 29 c. If any or all of the items in paragraph "b",
40 30 subparagraphs (1) through (8) are excluded from the taxable
40 31 lease price, the owner shall maintain adequate records of the
40 32 amounts of those items. If the parties to a lease enter into
40 33 an agreement providing that the tax imposed under this
40 34 subsection is to be paid by the lessee or included in the
40 35 monthly lease payments to be paid by the lessee, the total
41 1 cost of the tax shall not be included in the computation of
41 2 lease price for the purpose of taxation under this subsection.

41 3 Sec. 36. Section 423.43, Code Supplement 2007, is amended
41 4 by striking the section and inserting in lieu thereof the
41 5 following:

41 6 423.43 DEPOSIT OF REVENUES.

41 7 1. Except as provided in subsection 2, all revenue arising
41 8 under the operation of the use tax under subchapter III shall
41 9 be deposited into the general fund of the state.

41 10 2. The department, at the direction of the department of
41 11 transportation, shall credit the revenue derived from the use
41 12 tax imposed pursuant to section 423.26 as necessary to
41 13 supplement the funds available for the purposes specified in
41 14 section 321.145, subsection 2. Any such revenue remaining
41 15 shall be deposited into the road use tax fund.

41 16 Sec. 37. Section 423.27, Code 2007, is repealed.

41 17 PART 4
41 18 CONFORMING AMENDMENTS

41 19 Sec. 38. Section 29A.101A, subsection 5, Code Supplement
41 20 2007, is amended to read as follows:

41 21 5. Rents or lease amounts unpaid for the period preceding
41 22 the effective date of the lease termination shall be paid on a

41 23 prorated basis. In the case of a vehicle lease, the lessor
41 24 shall not impose an early termination charge, but any ~~taxes,~~
41 25 ~~summonses, and~~ title and registration fees, including the fee
41 26 for new registration, and any other obligation and liability
41 27 of the lessee in accordance with the terms of the lease,
41 28 including reasonable charges to the lessee for excess wear,
41 29 use, and mileage, that are due and unpaid at the time of
41 30 termination of the lease shall be paid by the lessee.

41 31 Sec. 39. Section 321.17, Code 2007, is amended to read as
41 32 follows:

41 33 321.17 MISDEMEANOR TO VIOLATE REGISTRATION PROVISIONS.

41 34 It is a simple misdemeanor punishable as a scheduled
41 35 violation under section 805.8A, subsection 2, paragraph "b",
42 1 for any person to drive or move or for an owner knowingly to
42 2 permit to be driven or moved upon the highway a vehicle of a
42 3 type required to be registered under this chapter which is not
42 4 registered, or for which the appropriate ~~fee has~~ fees have not
42 5 been paid, except as provided in section 321.109, subsection
42 6 3.

42 7 Sec. 40. Section 321.19, subsection 1, unnumbered
42 8 paragraph 1, Code 2007, is amended to read as follows:

42 9 All vehicles owned or leased for a period of sixty days or
42 10 more by the government and used in the transaction of official
42 11 business by the representatives of foreign governments or by
42 12 officers, boards, or departments of the government of the
42 13 United States, and by the state, counties, municipalities and
42 14 other political subdivisions of the state including vehicles
42 15 used by an urban transit company operated by a municipality or
42 16 a regional transit system, and self-propelling vehicles used
42 17 neither for the conveyance of persons for hire, pleasure, or
42 18 business nor for the transportation of freight other than
42 19 those used by an urban transit company operated by a
42 20 municipality or a regional transit system, all fire trucks,
42 21 providing they are not owned and operated for a pecuniary
42 22 profit, and authorized emergency vehicles used only in
42 23 disaster relief owned and operated by an organization not
42 24 operated for pecuniary profit, are exempted from the payment
42 25 of the registration fees imposed by this chapter, except as
42 26 provided for urban transit companies in subsection 2, but are
42 27 not exempt from the penalties provided in this chapter.

42 28 Sec. 41. Section 321.20, subsection 1, paragraph a, Code
42 29 2007, is amended to read as follows:

42 30 a. The full legal name; social security number or Iowa
42 31 driver's license number or Iowa nonoperator's identification
42 32 card number; date of birth; bona fide residence; and mailing
42 33 address of the owner and of the lessee if the vehicle is being
42 34 leased. If the owner or lessee is a firm, association, or
42 35 corporation, the application shall contain the bona fide
43 1 business address and federal employer identification number of
43 2 the owner or lessee. Up to three owners' names may be listed
43 3 on the application. If the vehicle is a leased vehicle, the
43 4 application shall state whether the notice of registration
43 5 renewal shall be sent to the lessor or to the lessee and
43 6 whether the lessor or the lessee shall receive the
43 7 ~~registration fee~~ refund of the annual registration fee, if
43 8 any. Information relating to the lessee of a vehicle shall
43 9 not be required on an application for registration and a
43 10 certificate of title for a vehicle with a gross vehicle weight
43 11 rating of ten thousand pounds or more.

43 12 Sec. 42. Section 321.20, subsection 1, paragraph e, Code
43 13 2007, is amended to read as follows:

43 14 e. The amount of the fee for new registration to be paid
43 15 under section 321.105A or the amount of tax to be paid under
43 16 section 423.26, subsection 1.

43 17 Sec. 43. Section 321.20A, Code 2007, is amended to read as
43 18 follows:

43 19 321.20A CERTIFICATE OF TITLE AND REGISTRATION FEES ==
43 20 COMMERCIAL VEHICLES.

43 21 1. Notwithstanding other provisions of this chapter, the
43 22 owner of a commercial vehicle subject to the proportional
43 23 registration provisions of chapter 326 may make application to
43 24 the department or the appropriate county treasurer for a
43 25 certificate of title. The application for certificate of
43 26 title shall be made within thirty days of purchase or transfer
43 27 and shall be accompanied by a ten dollar title fee and the
43 28 appropriate ~~use tax~~ fee for new registration. The department
43 29 or the county treasurer shall deliver the certificate of title
43 30 to the owner if there is no security interest. If there is a
43 31 security interest, the title, when issued, shall be delivered
43 32 to the first secured party. Delivery may be made using
43 33 electronic means.

43 34 2. An owner of more than fifty commercial vehicles subject
43 35 to the proportional registration provisions of chapter 326 who
44 1 is issued a certificate of title under this section shall not
44 2 be subject to annual registration fees until the commercial
44 3 vehicle is driven or moved upon the highways. The annual
44 4 registration fee due shall be prorated for the remaining
44 5 unexpired months of the registration year. Ownership of the
44 6 commercial vehicle shall not be transferred until annual
44 7 registration fees have been paid to the department.

44 8 Sec. 44. Section 321.23, subsection 3, Code 2007, is
44 9 amended to read as follows:

44 10 3. In the event an applicant for registration of a foreign
44 11 vehicle for which a certificate of title has been issued is
44 12 able to furnish evidence of being the registered owner of the
44 13 vehicle to the county treasurer of the owner's residence,
44 14 although unable to surrender such certificate of title, the
44 15 county treasurer may issue a registration receipt and plates
44 16 upon receipt of the required annual registration fee and the
44 17 fee for new registration fee but shall not issue a certificate
44 18 of title thereto. Upon surrender of the certificate of title
44 19 from the foreign state, the county treasurer shall issue a
44 20 certificate of title to the owner, or person entitled thereto,
44 21 of such vehicle as provided in this chapter. The owner of a
44 22 vehicle registered under this subsection shall not be required
44 23 to obtain a certificate of title in this state and may
44 24 transfer ownership of the vehicle to a motor vehicle dealer
44 25 licensed under chapter 322 if, at the time of the transfer,
44 26 the certificate of title is held by a secured party and the
44 27 dealer has forwarded to the secured party the sum necessary to
44 28 discharge the security interest pursuant to section 321.48,
44 29 subsection 1.

44 30 Sec. 45. Section 321.24, subsections 1, 3, and 10, Code
44 31 Supplement 2007, are amended to read as follows:

44 32 1. Upon receipt of the application for title and payment
44 33 of the required fees for a motor vehicle, trailer, or
44 34 semitrailer, the county treasurer or the department shall,
44 35 when satisfied as to the application's genuineness and
45 1 regularity, and, in the case of a mobile home or manufactured
45 2 home, that taxes are not owing under chapter 423 or 435, issue
45 3 a certificate of title and, except for a mobile home or
45 4 manufactured home, a registration receipt, and shall file the
45 5 application, the manufacturer's or importer's certificate, the
45 6 certificate of title, or other evidence of ownership, as
45 7 prescribed by the department. The registration receipt shall
45 8 be delivered to the owner and shall contain upon its face the
45 9 date issued, the name and address of the owner, the
45 10 registration number assigned to the vehicle, the amount of the
45 11 fee paid, ~~the amount of tax paid pursuant to section 423.26,~~
45 12 the type of fuel used, a description of the vehicle as
45 13 determined by the department, and a form for notice of
45 14 transfer of the vehicle. The name and address of any lessee
45 15 of the vehicle shall not be printed on the registration
45 16 receipt or certificate of title. Up to three owners may be
45 17 listed on the registration receipt and certificate of title.

45 18 3. The certificate of title shall contain upon its face
45 19 the identical information required upon the face of the
45 20 registration receipt. In addition, the certificate of title
45 21 shall contain a statement of the owner's title, the title
45 22 number assigned to the owner or owners of the vehicle, ~~the~~
45 23 ~~amount of tax paid pursuant to section 423.26,~~ the name and
45 24 address of the previous owner, and a statement of all security
45 25 interests and encumbrances as shown in the application, upon
45 26 the vehicle described, including the nature of the security
45 27 interest, date of perfection, and name and address of the
45 28 secured party.

45 29 10. A vehicle shall be registered for the registration
45 30 year. A vehicle registered for the first time in this state
45 31 shall be registered for the remaining unexpired months of the
45 32 registration year and pay ~~a~~ an annual registration fee
45 33 prorated for the remaining unexpired months of the
45 34 registration year plus a fee for new registration if
45 35 applicable pursuant to section 321.105A. Except for a vehicle

46 1 registered under chapter 326, a vehicle registered for the
46 2 first time during the eleventh month of the owner's
46 3 registration year may be registered for the remaining
46 4 unexpired months of the registration year as provided in this
46 5 paragraph or for the remaining unexpired months of the
46 6 registration year and for the next registration year, upon
46 7 payment of the applicable registration fees.

46 8 Sec. 46. Section 321.26, subsection 2, Code 2007, is
46 9 amended to read as follows:

46 10 2. The county treasurer may adjust the renewal or
46 11 expiration date of vehicles when deemed necessary to equalize
46 12 the number of vehicles registered in each twelve-month period
46 13 or for the administrative efficiency of the county treasurer's
46 14 office. The adjustment shall be accomplished by delivery of a
46 15 written notice to the vehicle owner of the adjustment and
46 16 allowance of a credit for the remaining months of the unused
46 17 portion of the annual registration fee, rounded to the nearest
46 18 whole dollar, which amount shall be deducted from the annual
46 19 registration fee due at the time of registration. Upon
46 20 receipt of the notification the owner shall, within thirty
46 21 days, surrender the registration card and registration plates
46 22 to the county treasurer of the county where the vehicle is
46 23 registered, except that the registration plates shall not be
46 24 surrendered if validation stickers or other emblems are used
46 25 to designate the month and year of expiration of registration.
46 26 Upon payment of the annual registration fee, less the credit
46 27 allowed for the remaining months of the unused portion of the
46 28 annual registration fee, the county treasurer shall issue a
46 29 new registration card and registration plates, validation
46 30 stickers, or emblems which indicate the month and year of
46 31 expiration of registration.

46 32 Sec. 47. Section 321.30, subsection 1, paragraphs e and f,
46 33 Code Supplement 2007, are amended to read as follows:

46 34 e. That the required ~~fee has~~ registration fees have not
46 35 been paid except as provided in section 321.48.

47 1 f. ~~That For a vehicle subject only to a certificate of~~
47 2 ~~title or a manufactured home, that~~ the required use tax has
47 3 not been paid.

47 4 Sec. 48. Section 321.30, subsection 3, paragraph b, Code
47 5 Supplement 2007, is amended to read as follows:

47 6 b. If the applicant for registration of the vehicle has
47 7 failed to pay the required annual registration ~~fees~~ fee or the
47 8 fee for new registration of any vehicle owned or previously
47 9 owned when the ~~registration~~ fee was required to be paid by the
47 10 applicant, and for which vehicle the registration was
47 11 suspended or revoked under section 321.101, subsection 1,
47 12 paragraph "d", or section 321.101A, until the ~~fees are~~ fee is
47 13 paid together with any accrued penalties.

47 14 Sec. 49. Section 321.34, subsection 2, unnumbered
47 15 paragraph 1, Code Supplement 2007, is amended to read as
47 16 follows:

47 17 In lieu of issuing new registration plates each
47 18 registration year for a vehicle renewing registration, the
47 19 department may reassign the registration plates previously
47 20 issued to the vehicle and may adopt and prescribe an annual
47 21 validation sticker indicating payment of annual registration
47 22 fees. The department shall issue one validation sticker for
47 23 each set of registration plates. The sticker shall specify
47 24 the month and year of expiration of the registration plates.
47 25 The sticker shall be displayed only on the rear registration
47 26 plate, except that the sticker shall be displayed on the front
47 27 registration plate of a truck tractor.

47 28 Sec. 50. Section 321.34, subsection 5, paragraphs b and c,
47 29 Code Supplement 2007, is amended to read as follows:

47 30 b. The county treasurer shall validate personalized
47 31 registration plates in the same manner as regular registration
47 32 plates are validated under this section at an annual fee of
47 33 five dollars in addition to the regular annual registration
47 34 fee. A person renewing a personalized registration plate
47 35 within one month following the time requirements under section
48 1 321.40 may renew the personalized plate without paying the
48 2 additional registration fee under paragraph "a" but shall pay
48 3 the five-dollar fee in addition to the regular annual
48 4 registration fee and any penalties subject to regular
48 5 registration plate holders for late renewal.

48 6 c. The fees collected by the director under this ~~section~~
48 7 ~~subsection~~ shall be paid to the treasurer of state and
48 8 credited by the treasurer of state as provided in section
48 9 321.145.

48 10 Sec. 51. Section 321.34, subsection 7, paragraph c, Code
48 11 Supplement 2007, is amended to read as follows:

48 12 c. (1) The fees for a collegiate registration plate are
48 13 as follows:

48 14 ~~(1)~~ (a) A registration fee of twenty-five dollars.

48 15 ~~(2)~~ (b) A special collegiate registration fee of
48 16 twenty-five dollars.

48 17 (2) These fees are in addition to the regular annual
48 18 registration fee. The fees collected by the director under
48 19 this subsection shall be paid monthly to the treasurer of
48 20 state and ~~credited by the treasurer of state to~~ deposited in

48 21 the road use tax fund. ~~Notwithstanding section 423.43 and~~
~~48 22 prior to the revenues being credited to the road use tax fund~~
~~48 23 under section 423.43, subsection 1, paragraph "b", the The~~
48 24 treasurer of state shall credit monthly from those revenues
~~48 25 respectively the revenues available for purposes of this~~
~~48 26 subsection under section 321.145, subsection 2, to Iowa state~~
48 27 university of science and technology, the university of
48 28 northern Iowa, and the state university of Iowa respectively,
48 29 the amount of the special collegiate registration fees
48 30 collected in the previous month for collegiate registration
48 31 plates designed for the university. The moneys credited are
48 32 appropriated to the respective universities to be used for
48 33 scholarships for students attending the universities.

48 34 Sec. 52. Section 321.34, subsection 10, paragraph c, Code
48 35 Supplement 2007, is amended to read as follows:

49 1 c. The special fees collected by the director under this
49 2 subsection shall be paid monthly to the treasurer of state and
49 3 ~~credited to deposited in~~ the road use tax fund.

~~49 4 Notwithstanding section 423.43, and prior to the crediting of~~
~~49 5 revenues to the road use tax fund under section 423.43,~~

~~49 6 subsection 1, paragraph "b", the The~~ treasurer of state shall
49 7 transfer monthly from ~~those revenues~~ the revenues available
49 8 for purposes of this subsection under section 321.145,

~~49 9 subsection 2,~~ to the Paul Ryan memorial fire fighter safety
49 10 training fund created pursuant to section 100B.12 the amount
49 11 of the special fees collected in the previous month for the
49 12 fire fighter plates.

49 13 Sec. 53. Section 321.34, subsection 10A, paragraph b, Code
49 14 Supplement 2007, is amended to read as follows:

49 15 b. The special fees collected by the director under this
49 16 subsection shall be paid monthly to the treasurer of state and
49 17 ~~credited to deposited in~~ the road use tax fund.

~~49 18 Notwithstanding section 423.43, and prior to the crediting of~~
~~49 19 revenues to the road use tax fund under section 423.43,~~

~~49 20 subsection 1, paragraph "b", the The~~ treasurer of state shall
49 21 transfer monthly from ~~those revenues~~ the revenues available
49 22 for purposes of this subsection under section 321.145,

~~49 23 subsection 2,~~ to the emergency medical services fund created
49 24 in section 135.25 the amount of the special fees collected in
49 25 the previous month for issuance of emergency medical services
49 26 plates.

49 27 Sec. 54. Section 321.34, subsection 11, paragraph c, Code
49 28 Supplement 2007, is amended to read as follows:

49 29 c. (1) The special natural resources fee for letter
49 30 number designated natural resources plates is forty-five
49 31 dollars. The fee for personalized natural resources plates is
49 32 forty-five dollars which shall be paid in addition to the
49 33 special natural resources fee of forty-five dollars. The fees
49 34 collected by the director under this subsection shall be paid
49 35 monthly to the treasurer of state and ~~credited to deposited in~~

~~50 1 the road use tax fund. Notwithstanding section 423.43, and~~
~~50 2 prior to the crediting of revenues to the road use tax fund~~

~~50 3 under section 423.43, subsection 1, paragraph "b", the The~~
50 4 treasurer of state shall credit monthly from ~~those revenues~~
50 5 the revenues available for purposes of this subsection under
50 6 section 321.145, subsection 2, to the Iowa resources

50 7 enhancement and protection fund created pursuant to section
50 8 455A.18, the amount of the special natural resources fees
50 9 collected in the previous month for the natural resources
50 10 plates.

50 11 (2) From the moneys credited to the Iowa resources
50 12 enhancement and protection fund under ~~this paragraph "c",~~
50 13 subparagraph (1), ten dollars of the fee collected for each
50 14 natural resources plate issued, and fifteen dollars from each
50 15 renewal fee, shall be allocated to the department of natural
50 16 resources wildlife bureau to be used for nongame wildlife
50 17 programs.

50 18 Sec. 55. Section 321.34, subsection 11A, paragraph c, Code
50 19 Supplement 2007, is amended to read as follows:

50 20 c. The special fee for letter number designated love our
50 21 kids plates is thirty-five dollars. The fee for personalized
50 22 love our kids plates is twenty-five dollars, which shall be
50 23 paid in addition to the special love our kids fee of
50 24 thirty-five dollars. The fees collected by the director under
50 25 this subsection shall be paid monthly to the treasurer of
50 26 state and ~~credited to deposited in~~ the road use tax fund.

~~50 27 Notwithstanding section 423.43, and prior to the crediting of~~
~~50 28 revenues to the road use tax fund under section 423.43,~~

~~50 29 subsection 1, paragraph "b", the The~~ treasurer of state shall
50 30 transfer monthly from ~~those revenues~~ the revenues available
50 31 for purposes of this subsection under section 321.145,

50 32 subsection 2, to the Iowa department of public health the
50 33 amount of the special fees collected in the previous month for
50 34 the love our kids plates. Notwithstanding section 8.33,
50 35 moneys transferred under this subsection shall not revert to
51 1 the general fund of the state.

51 2 Sec. 56. Section 321.34, subsection 11B, paragraph c, Code
51 3 Supplement 2007, is amended to read as follows:

51 4 c. The special fee for letter number designated motorcycle
51 5 rider education plates is thirty-five dollars. The fee for
51 6 personalized motorcycle rider education plates is twenty-five
51 7 dollars, which shall be paid in addition to the special
51 8 motorcycle rider education fee of thirty-five dollars. The
51 9 fees collected by the director under this subsection shall be
51 10 paid monthly to the treasurer of state and ~~credited to~~
51 11 deposited in the road use tax fund. ~~Notwithstanding section~~

~~51 12 423.43, and prior to the crediting of revenues to the road use~~
~~51 13 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~51 14 the~~ The treasurer of state shall transfer monthly from ~~those~~
~~51 15 revenues the revenues available for purposes of this~~

~~51 16 subsection under section 321.145, subsection 2, to the~~
51 17 department for use in accordance with section 321.180B,
51 18 subsection 6, the amount of the special fees collected in the
51 19 previous month for the motorcycle rider education plates.

51 20 Sec. 57. Section 321.34, subsection 13, paragraph d, Code
51 21 Supplement 2007, is amended to read as follows:

51 22 d. A state agency may submit a request to the department
51 23 recommending a special registration plate. The alternate fee
51 24 for letter number designated plates is thirty-five dollars
51 25 with a ten dollar annual special renewal fee. The fee for
51 26 personalized plates is twenty-five dollars which is in
51 27 addition to the alternative fee of thirty-five dollars with an
51 28 annual personalized plate renewal fee of five dollars which is
51 29 in addition to the special renewal fee of ten dollars. The
51 30 alternate fees are in addition to the regular annual
51 31 registration fee. The alternate fees collected under this
51 32 paragraph shall be paid monthly to the treasurer of state and
51 33 ~~credited to~~ deposited in the road use tax fund.

~~51 34 Notwithstanding section 423.43, and prior to the crediting of~~
~~51 35 the revenues to the road use tax fund under section 423.43,~~
~~52 1 subsection 1, paragraph "b", the~~ The treasurer of state shall
52 2 credit monthly from the revenues available for purposes of
~~52 3 this subsection under section 321.145, subsection 2, the~~

52 4 amount of the alternate fees collected in the previous month
52 5 to the state agency that recommended the special registration
52 6 plate.

52 7 Sec. 58. Section 321.34, subsection 16, unnumbered
52 8 paragraph 1, Code Supplement 2007, is amended to read as
52 9 follows:

52 10 An owner referred to in subsection 12 who is a member of
52 11 the national guard, as defined in chapter 29A, may, upon
52 12 written application to the department, order special
52 13 registration plates with a national guard processed emblem
52 14 with the emblem designed by the department in cooperation with
52 15 the adjutant general which emblem signifies that the applicant
52 16 is a member of the national guard. The application shall be
52 17 approved by the department in consultation with the adjutant
52 18 general. The special plate fees collected by the director
52 19 under subsection 12, paragraph "a", from the issuance and
52 20 annual validation of letter-number designated and personalized
52 21 national guard plates shall be paid monthly to the treasurer
52 22 of state and ~~credited to~~ deposited in the road use tax fund.

~~52 23 Notwithstanding section 423.43, and prior to the crediting of~~
~~52 24 revenues to the road use tax fund under section 423.43,~~
~~52 25 subsection 1, paragraph "b", the~~ The treasurer of state shall
52 26 transfer monthly from ~~those revenues the revenues available~~
~~52 27 for purposes of this subsection under section 321.145,~~

~~52 28 subsection 2, to the veterans license fee fund created in~~
52 29 section 35A.11 the amount of the special fees collected in the
52 30 previous month for national guard plates. Special
52 31 registration plates with a national guard processed emblem
52 32 shall be surrendered, as provided in subsection 12, in
52 33 exchange for regular registration plates upon termination of
52 34 the owner's membership in the active national guard.

52 35 Sec. 59. Section 321.34, subsection 17, unnumbered
53 1 paragraph 1, Code Supplement 2007, is amended to read as
53 2 follows:

53 3 An owner referred to in subsection 12 who was at Pearl
53 4 Harbor, Hawaii, as a member of the armed services of the
53 5 United States on December 7, 1941, may, upon written
53 6 application to the department, order special registration
53 7 plates with a Pearl Harbor processed emblem. The emblem shall

53 8 be designed by the department in consultation with service
53 9 organizations. The application is subject to approval by the
53 10 department. The special plate fees collected by the director
53 11 under subsection 12, paragraph "a", from the issuance and
53 12 annual validation of letter-number designated and personalized
53 13 Pearl Harbor plates shall be paid monthly to the treasurer of
53 14 state and credited to deposited in the road use tax fund.
53 15 ~~Notwithstanding section 423.43, and prior to the crediting of~~
53 16 ~~revenues to the road use tax fund under section 423.43,~~
53 17 ~~subsection 1, paragraph "b", the The~~ treasurer of state shall
53 18 transfer monthly from ~~those revenues~~ the revenues available
53 19 for purposes of this subsection under section 321.145,
53 20 subsection 2, to the veterans license fee fund created in
53 21 section 35A.11 the amount of the special fees collected in the
53 22 previous month for Pearl Harbor plates.

53 23 Sec. 60. Section 321.34, subsection 18, unnumbered
53 24 paragraph 1, Code Supplement 2007, is amended to read as
53 25 follows:

53 26 An owner referred to in subsection 12 who was awarded a
53 27 purple heart medal by the United States government for wounds
53 28 received in military or naval combat against an armed enemy of
53 29 the United States may, upon written application to the
53 30 department and presentation of satisfactory proof of the award
53 31 of the purple heart medal, order special registration plates
53 32 with a purple heart processed emblem. The design of the
53 33 emblem shall include a representation of a purple heart medal
53 34 and ribbon. The application is subject to approval by the
53 35 department in consultation with the adjutant general. The
54 1 special plate fees collected by the director under subsection
54 2 12, paragraph "a", from the issuance and annual validation of
54 3 letter-number designated and personalized purple heart plates
54 4 shall be paid monthly to the treasurer of state and credited
54 5 to deposited in the road use tax fund. ~~Notwithstanding~~
54 6 ~~section 423.43, and prior to the crediting of revenues to the~~
54 7 ~~road use tax fund under section 423.43, subsection 1,~~
54 8 ~~paragraph "b", the The~~ treasurer of state shall transfer
54 9 monthly from ~~those revenues~~ the revenues available for
54 10 purposes of this subsection under section 321.145, subsection
54 11 2, to the veterans license fee fund created in section 35A.11
54 12 the amount of the special fees collected in the previous month
54 13 for purple heart plates.

54 14 Sec. 61. Section 321.34, subsection 19, unnumbered
54 15 paragraph 1, Code Supplement 2007, is amended to read as
54 16 follows:

54 17 An owner referred to in subsection 12 who is a retired
54 18 member of the United States armed forces may, upon written
54 19 application to the department and upon presentation of
54 20 satisfactory proof of membership, order special registration
54 21 plates with a United States armed forces retired processed
54 22 emblem. The emblem shall be designed by the department in
54 23 consultation with service organizations. The application is
54 24 subject to approval by the department. For purposes of this
54 25 subsection, a person is considered to be retired if the person
54 26 is recognized by the United States armed forces as retired
54 27 from the United States armed forces. The special plate fees
54 28 collected by the director under subsection 12, paragraph "a",
54 29 from the issuance and annual validation of letter-number
54 30 designated and personalized armed forces retired plates shall
54 31 be paid monthly to the treasurer of state and credited to
54 32 deposited in the road use tax fund. ~~Notwithstanding section~~
54 33 ~~423.43, and prior to the crediting of revenues to the road use~~
54 34 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~
54 35 ~~the The~~ treasurer of state shall transfer monthly from ~~those~~
55 1 ~~revenues~~ the revenues available for purposes of this
55 2 subsection under section 321.145, subsection 2, to the
55 3 veterans license fee fund created in section 35A.11 the amount
55 4 of the special fees collected in the previous month for armed
55 5 forces retired plates.

55 6 Sec. 62. Section 321.34, subsection 20, unnumbered
55 7 paragraph 1, Code Supplement 2007, is amended to read as
55 8 follows:

55 9 An owner referred to in subsection 12 who was awarded a
55 10 silver or a bronze star by the United States government, may,
55 11 upon written application to the department and presentation of
55 12 satisfactory proof of the award of the silver or bronze star,
55 13 order special registration plates with a silver or bronze star
55 14 processed emblem. The emblem shall be designed by the
55 15 department in consultation with the adjutant general. The
55 16 special plate fees collected by the director under subsection
55 17 12, paragraph "a", from the issuance and annual validation of
55 18 letter-number designated and personalized silver star and

55 19 bronze star plates shall be paid monthly to the treasurer of
55 20 state and ~~credited to deposited in~~ the road use tax fund.
55 21 ~~Notwithstanding section 423.43, and prior to the crediting of~~
55 22 ~~revenues to the road use tax fund under section 423.43,~~
55 23 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
55 24 transfer monthly from ~~those revenues~~ the revenues available
55 25 for purposes of this subsection under section 321.145,
55 26 subsection 2, to the veterans license fee fund created in
55 27 section 35A.11 the amount of the special fees collected in the
55 28 previous month for silver star and bronze star plates.
55 29 Sec. 63. Section 321.34, subsection 20A, unnumbered
55 30 paragraph 1, Code Supplement 2007, is amended to read as
55 31 follows:

55 32 An owner referred to in subsection 12 who was awarded a
55 33 distinguished service cross, a navy cross, or an air force
55 34 cross by the United States government may, upon written
55 35 application to the department and presentation of satisfactory
56 1 proof of the award, order special registration plates with a
56 2 distinguished service cross, navy cross, or air force cross
56 3 processed emblem. The emblem shall be designed by the
56 4 department in consultation with the adjutant general. The
56 5 special plate fees collected by the director under subsection
56 6 12, paragraph "a", from the issuance and annual validation of
56 7 letter-number designated and personalized distinguished
56 8 service cross, navy cross, and air force cross plates shall be
56 9 paid monthly to the treasurer of state and ~~credited to~~
56 10 deposited in the road use tax fund. ~~Notwithstanding section~~
56 11 ~~423.43, and prior to the crediting of revenues to the road use~~
56 12 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~
56 13 ~~the~~ The treasurer of state shall transfer monthly from ~~those~~
56 14 ~~revenues~~ the revenues available for purposes of this
56 15 subsection under section 321.145, subsection 2, to the
56 16 veterans license fee fund created in section 35A.11 the amount
56 17 of the special fees collected in the previous month for
56 18 distinguished service cross, navy cross, and air force cross
56 19 plates.

56 20 Sec. 64. Section 321.34, subsection 20B, unnumbered
56 21 paragraph 1, Code Supplement 2007, is amended to read as
56 22 follows:
56 23 An owner referred to in subsection 12 who was awarded a
56 24 soldier's medal, a navy and marine corps medal, or an airman's
56 25 medal by the United States government may, upon written
56 26 application to the department and presentation of satisfactory
56 27 proof of the award, order special registration plates with a
56 28 soldier's medal, navy and marine corps medal, or airman's
56 29 medal processed emblem. The emblem shall be designed by the
56 30 department in consultation with the adjutant general. The
56 31 special plate fees collected by the director under subsection
56 32 12, paragraph "a", from the issuance and annual validation of
56 33 letter-number designated and personalized soldier's medal,
56 34 navy and marine corps medal, and airman's medal plates shall
56 35 be paid monthly to the treasurer of state and ~~credited to~~
57 1 deposited in the road use tax fund. ~~Notwithstanding section~~
57 2 ~~423.43, and prior to the crediting of revenues to the road use~~
57 3 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~
57 4 ~~the~~ The treasurer of state shall transfer monthly from ~~those~~
57 5 ~~revenues~~ the revenues available for purposes of this
57 6 subsection under section 321.145, subsection 2, to the
57 7 veterans license fee fund created in section 35A.11 the amount
57 8 of the special fees collected in the previous month for
57 9 soldier's medal, navy and marine corps medal, and airman's
57 10 medal plates.

57 11 Sec. 65. Section 321.34, subsection 21, paragraph c, Code
57 12 Supplement 2007, is amended to read as follows:
57 13 c. The special fees collected by the director under this
57 14 subsection shall be paid monthly to the treasurer of state and
57 15 credited to deposited in the road use tax fund.
57 16 ~~Notwithstanding section 423.43, and prior to the crediting of~~
57 17 ~~revenues to the road use tax fund under section 423.43,~~
57 18 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
57 19 credit monthly from the revenues available for purposes of
57 20 this subsection under section 321.145, subsection 2, to the
57 21 Iowa heritage fund created under section 303.9A the amount of
57 22 the special fees collected in the previous month for the Iowa
57 23 heritage plates.
57 24 Sec. 66. Section 321.34, subsection 22, paragraph b, Code
57 25 Supplement 2007, is amended to read as follows:
57 26 b. The special school transportation fee for letter number
57 27 designated education plates is thirty=five dollars. The fee
57 28 for personalized education plates is twenty=five dollars,
57 29 which shall be paid in addition to the special school

57 30 transportation fee of thirty-five dollars. The annual special
57 31 school transportation fee is ten dollars for letter number
57 32 designated registration plates and is fifteen dollars for
57 33 personalized registration plates which shall be paid in
57 34 addition to the regular annual registration fee. The fees
57 35 collected by the director under this subsection shall be paid
58 1 monthly to the treasurer of state and ~~credited to deposited in~~
58 2 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~58 3 prior to the crediting of revenues to the road use tax fund~~
~~58 4 under section 423.43, subsection 1, paragraph "b", the The~~
58 5 treasurer of state shall transfer monthly from ~~those revenues~~
58 6 the revenues available for purposes of this subsection under
58 7 section 321.145, subsection 2, to the school budget review
58 8 committee in accordance with section 257.31, subsection 17,
58 9 the amount of the special school transportation fees collected
58 10 in the previous month for the education plates.

58 11 Sec. 67. Section 321.34, subsection 23, paragraph c, Code
58 12 Supplement 2007, is amended to read as follows:

58 13 c. The special fee for letter number designated breast
58 14 cancer awareness plates is thirty-five dollars. The fee for
58 15 personalized breast cancer awareness plates is twenty-five
58 16 dollars, which shall be paid in addition to the special breast
58 17 cancer awareness fee of thirty-five dollars. The fees
58 18 collected by the director under this subsection shall be paid
58 19 monthly to the treasurer of state and ~~credited to deposited in~~
58 20 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~58 21 prior to the crediting of revenues to the road use tax fund~~
~~58 22 under section 423.43, subsection 1, paragraph "b", the The~~
58 23 treasurer of state shall transfer monthly from ~~those revenues~~
58 24 the revenues available for purposes of this subsection under
58 25 section 321.145, subsection 2, to the Iowa department of

58 26 public health the amount of the special fees collected in the
58 27 previous month for the breast cancer awareness plates and such
58 28 funds are appropriated to the Iowa department of public
58 29 health. The Iowa department of public health shall distribute
58 30 one hundred percent of the funds received monthly in the form
58 31 of grants to support breast cancer screenings for both men and
58 32 women who meet eligibility requirements like those established
58 33 by the Susan G. Komen foundation. In the awarding of grants,
58 34 the Iowa department of public health shall give first
58 35 consideration to affiliates of the Susan G. Komen foundation
59 1 and similar nonprofit organizations providing for breast
59 2 cancer screenings at no cost in Iowa. Notwithstanding section
59 3 8.33, moneys transferred under this subsection shall not
59 4 revert to the general fund of the state.

59 5 Sec. 68. Section 321.34, subsection 24, Code Supplement
59 6 2007, is amended to read as follows:

59 7 24. GOLD STAR PLATES. An owner referred to in subsection
59 8 12 who is the surviving spouse, parent, child, or sibling of a
59 9 deceased member of the United States armed forces who died
59 10 while serving on active duty during a time of military
59 11 conflict may order special registration plates bearing a gold
59 12 star emblem upon written application to the department
59 13 accompanied by satisfactory supporting documentation as
59 14 determined by the department. The gold star emblem shall be
59 15 designed by the department in cooperation with the commission
59 16 of veterans affairs. The special plate fees collected by the
59 17 director under subsection 12, paragraph "a", from the issuance
59 18 and annual validation of letter-number designated and
59 19 personalized gold star plates shall be paid monthly to the
59 20 treasurer of state and ~~credited to deposited in~~ the road use
59 21 tax fund. ~~Notwithstanding section 423.43, and prior to the~~
~~59 22 crediting of revenues to the road use tax fund under section~~
~~59 23 423.43, subsection 1, paragraph "b", the The~~ treasurer of
59 24 state shall transfer monthly from ~~those revenues~~ the revenues
59 25 available for purposes of this subsection under section
59 26 321.145, subsection 2, to the veterans license fee fund
59 27 created in section 35A.11 the amount of the special fees
59 28 collected in the previous month for gold star plates.

59 29 Sec. 69. Section 321.39, subsections 3 and 4, Code 2007,
59 30 are amended to read as follows:

59 31 3. For vehicles on which the first installment of an
59 32 annual registration fee has been paid, at midnight on the last
59 33 day of June or the first business day of July when June 30
59 34 falls on Saturday, Sunday, or a holiday; for vehicles on which
59 35 the second installment of an annual registration fee has been
60 1 paid, at midnight on the last day of December or the first
60 2 business day of January when December 31 falls on Saturday,
60 3 Sunday, or a holiday.

60 4 4. For vehicles registered without payment of annual
60 5 registration fees as provided in section 321.19, when

60 6 designated by the department.

60 7 5. Registration for every vehicle registered by the county
60 8 treasurer shall expire upon transfer of ownership.

60 9 Sec. 70. Section 321.40, subsection 1, Code Supplement
60 10 2007, is amended to read as follows:

60 11 1. Application for renewal of a vehicle registration shall
60 12 be made on or after the first day of the month prior to the
60 13 month of expiration of registration and up to and including
60 14 the last day of the month following the month of expiration of
60 15 registration. The registration shall be renewed upon payment
60 16 of the appropriate annual registration fee. Application for
60 17 renewal for a vehicle registered under chapter 326 shall be
60 18 made on or after the first day of the month of expiration of
60 19 registration and up to and including the last day of the month
60 20 following the month of expiration of registration.

60 21 Sec. 71. Section 321.46, subsections 2, 3, 4, 6, and 7,
60 22 Code 2007, are amended to read as follows:

60 23 2. Upon filing the application for a new registration and
60 24 a new title, the applicant shall pay a title fee of ten
60 25 dollars ~~and a~~ an annual registration fee prorated for the
60 26 remaining unexpired months of the registration year, and a fee
60 27 for new registration if applicable. A manufacturer applying

60 28 for a certificate of title pursuant to section 322G.12 shall
60 29 pay a title fee of two dollars. However, a title fee shall
60 30 not be charged to a manufactured or mobile home retailer
60 31 applying for a certificate of title for a used mobile home or
60 32 manufactured home, titled in Iowa, as required under section
60 33 321.45, subsection 4. The county treasurer, if satisfied of
60 34 the genuineness and regularity of the application, and in the
60 35 case of a mobile home or manufactured home, that taxes are not
61 1 owing under chapter 435, and that applicant has complied with
61 2 all the requirements of this chapter, shall issue a new
61 3 certificate of title and, except for a mobile home,
61 4 manufactured home, or a vehicle returned to and accepted by a
61 5 manufacturer as described in section 322G.12, a registration
61 6 card to the purchaser or transferee, shall cancel the prior
61 7 registration for the vehicle, and shall forward the necessary
61 8 copies to the department on the date of issuance, as
61 9 prescribed in section 321.24. Mobile homes or manufactured
61 10 homes titled under chapter 448 that have been subject under
61 11 section 446.18 to a public bidder sale in a county shall be
61 12 titled in the county's name, with no fee, and the county
61 13 treasurer shall issue the title.

61 14 3. The applicant shall be entitled to a credit for that
61 15 portion of the annual registration fee of the vehicle sold,
61 16 traded, or junked which had not expired prior to the transfer
61 17 of ownership of the vehicle. The annual registration fee for
61 18 the new registration for the vehicle acquired shall be reduced
61 19 by the amount of the credit. The credit shall be computed on
61 20 the basis of the number of months remaining in the
61 21 registration year, rounded to the nearest whole dollar. The
61 22 credit shall be subject to the following limitations:

61 23 a. The credit shall be claimed within thirty days from the
61 24 date the vehicle for which credit is granted was sold,
61 25 transferred, or junked. After thirty days, all credits shall
61 26 be disallowed.

61 27 b. Any credit granted to the owner of a vehicle which has
61 28 been sold, traded, or junked may only be claimed by that
61 29 person toward the annual registration fee for another vehicle
61 30 purchased and the credit may not be sold, transferred, or
61 31 assigned to any other person.

61 32 c. When the amount of the credit is computed to be an
61 33 amount of less than ten dollars, a credit shall be disallowed.

61 34 d. To claim a credit for the unexpired annual registration
61 35 fee on a junked vehicle, the county treasurer shall disallow
62 1 any claim for credit unless the owner presents a junking
62 2 certificate or other evidence as required by the department to
62 3 the county treasurer.

62 4 e. A credit shall not be allowed to any person who has
62 5 made claim to receive a refund under section 321.126.

62 6 f. If the credit allowed exceeds the amount of the annual
62 7 registration fee for the vehicle acquired, the owner may claim
62 8 a refund under section 321.126, subsection 6, for the balance
62 9 of the credit.

62 10 g. The credit shall be computed on the unexpired number of
62 11 months computed from the date of purchase of the vehicle
62 12 acquired.

62 13 4. If the annual registration fee upon application is
62 14 delinquent, the applicant shall be required to pay the
62 15 delinquent fee from the first day the annual registration fee
62 16 was due prorated to the month of application for new title.

62 17 6. An applicant for a new registration for a vehicle
62 18 transferred to the applicant by a spouse, parent, or child of
62 19 the applicant, or by operation of law upon inheritance, devise
62 20 or bequest, from the applicant's spouse, parent, or child, or
62 21 by a former spouse pursuant to a decree of dissolution of
62 22 marriage, is entitled to a credit to be applied to the annual
62 23 registration fee for the transferred vehicle. A credit shall
62 24 not be allowed unless the vehicle to which the credit applies
62 25 is registered within the time specified under subsection 1.
62 26 The credit shall be computed on the basis of the number of
62 27 unexpired months remaining in the registration year of the
62 28 former owner computed from the date the vehicle was
62 29 transferred, computed to the nearest whole dollar. The credit
62 30 may exceed the amount of the annual registration fee for the
62 31 transferred vehicle. When the amount of the credit is
62 32 computed to be an amount of less than ten dollars, the credit
62 33 shall be disallowed. The credit shall not be sold,
62 34 transferred, or assigned to any other person.

62 35 7. If a motor vehicle is leased and the lessee purchases
63 1 the vehicle upon termination of the lease, the lessor shall,
63 2 upon claim by the lessee with the lessor within thirty days of
63 3 the purchase, assign the annual registration fee credit and
63 4 registration plates for the leased motor vehicle to the
63 5 lessee. Credit shall be applied as provided in subsection 3.

63 6 Sec. 72. Section 321.46A, Code 2007, is amended to read as
63 7 follows:

63 8 321.46A CHANGE FROM PROPORTIONAL REGISTRATION == CREDIT.

63 9 An owner changing a vehicle's registration from
63 10 proportional registration under chapter 326 to registration
63 11 under this chapter shall be entitled to a credit on the
63 12 vehicle's annual registration fees under this chapter. The
63 13 credit shall be allowed when the owner surrenders to the
63 14 county treasurer proof of proportional registration provided
63 15 by the department. The amount of the credit shall be
63 16 calculated based on the unexpired complete calendar months
63 17 remaining in the registration year from the date the
63 18 application is filed with the county treasurer.

63 19 Sec. 73. Section 321.52, subsections 1 and 3, Code
63 20 Supplement 2007, are amended to read as follows:

63 21 1. When a vehicle is sold outside the state for purposes
63 22 other than for junk, the owner, dealer or otherwise, shall
63 23 detach the registration plates and registration card and shall
63 24 indicate on the registration card the name and address of the
63 25 foreign purchaser or transferee over the person's signature.
63 26 Unless the registration plates are legally attached to another
63 27 vehicle, the owner shall surrender the registration plates and
63 28 registration card to the county treasurer, who shall cancel
63 29 the records, destroy the registration plates, and forward the
63 30 registration card to the department. The department shall
63 31 make a notation on the records of the out-of-state sale and,
63 32 after a reasonable period, may destroy the files for that
63 33 particular vehicle. The department is not authorized to make
63 34 a refund of annual registration fees on a vehicle sold out of
63 35 state unless it receives the registration card completed as
64 1 provided in this section.

64 2 3. When a vehicle for which a certificate of title is
64 3 issued is junked or dismantled by the owner, the owner shall
64 4 detach the registration plates and surrender the plates to the
64 5 county treasurer, unless the plates are properly assigned to
64 6 another vehicle. The owner shall also surrender the
64 7 certificate of title to the county treasurer. Upon
64 8 surrendering the certificate of title and application for
64 9 junking certificate, the county treasurer shall issue to the
64 10 person, without fee, a junking certificate, which shall
64 11 authorize the holder to possess, transport or transfer
64 12 ownership of the junked vehicle by endorsement of the junking
64 13 certificate. The county treasurer shall hold the surrendered
64 14 certificate of title, registration receipt, application for
64 15 junking certificate, and, if applicable, the registration
64 16 plates for a period of fourteen days following the issuance of
64 17 a junking certificate under this subsection. Within the
64 18 fourteen-day period the person who was issued the junking
64 19 certificate and to whom the vehicle was titled or assigned may
64 20 surrender to the county treasurer the junking certificate, and
64 21 upon the person's payment of appropriate fees and taxes and
64 22 payment of any credit for annual registration fees received by
64 23 the person for the vehicle under section 321.46, subsection 3,
64 24 the county treasurer shall issue to the person a certificate
64 25 of title for the vehicle. After the expiration of the
64 26 fourteen-day period, a county treasurer shall not issue a
64 27 certificate of title for a junked vehicle for which a junking

64 28 certificate is issued. The county treasurer shall cancel the
64 29 record of the vehicle and forward the certificate of title to
64 30 the department.

64 31 However, upon application the department upon a showing of
64 32 good cause may issue a certificate of title after the
64 33 fourteen-day period for a junked vehicle for which a junking
64 34 certificate has been issued. For purposes of this subsection,
64 35 "good cause" means that the junking certificate was obtained
65 1 by mistake or inadvertence. If a person's application to the
65 2 department is denied, the person may make application for a
65 3 certificate of title under the bonding procedure as provided
65 4 in section 321.24, if the vehicle qualifies as an antique
65 5 vehicle under section 321.115, subsection 1, or the person may
65 6 seek judicial review as provided under sections 17A.19 and
65 7 17A.20.

65 8 Sec. 74. Section 321.70, Code 2007, is amended to read as
65 9 follows:

65 10 321.70 DEALER VEHICLES.

65 11 A dealer registered under this chapter shall not be
65 12 required to register any vehicle owned by the dealer which is
65 13 being held for sale or trade, provided the annual registration
65 14 fee was not delinquent at the time the vehicle was acquired by
65 15 the dealer. When a dealer ceases to hold any vehicle for sale
65 16 or trade or the vehicle otherwise becomes subject to
65 17 registration under this chapter the annual registration fee
65 18 and delinquent annual registration fee, if any, shall be due
65 19 for the registration year.

65 20 Sec. 75. Section 321.101, subsection 1, paragraph d, Code
65 21 Supplement 2007, is amended to read as follows:

65 22 d. When the department determines that the required annual
65 23 registration fee has not been paid and the fee is not paid
65 24 upon reasonable notice and demand.

65 25 Sec. 76. Section 321.101A, Code 2007, is amended to read
65 26 as follows:

65 27 321.101A REVOCATION OF REGISTRATION BY COUNTY TREASURER.

65 28 The county treasurer may revoke the registration and
65 29 registration plates of a vehicle if the annual registration
65 30 ~~fees are fee or the fee for new registration is~~ paid by check,
65 31 electronic payment, or credit card and the check, electronic
65 32 payment, or credit card is not honored by the payer's
65 33 financial institution or credit card company, upon reasonable
65 34 notice and demand. The owner of the vehicle or person in
65 35 possession of the registration and registration plates for the
66 1 vehicle shall immediately return the revoked registration and
66 2 registration plates to the appropriate county treasurer's
66 3 office.

66 4 Sec. 77. Section 321.105, Code 2007, is amended to read as
66 5 follows:

66 6 321.105 ANNUAL REGISTRATION FEE REQUIRED.

66 7 1. An annual registration fee shall be paid for each
66 8 vehicle operated upon the public highways of this state unless
66 9 the vehicle is specifically exempted under this chapter. If a
66 10 vehicle, which has been registered for the current
66 11 registration year, is transferred during the registration
66 12 year, the transferee shall reregister the vehicle as provided
66 13 in section 321.46.

66 14 2. The annual registration fee shall be paid to the county
66 15 treasurer at the same time the application is made for the
66 16 registration or reregistration of the motor vehicle or
66 17 trailer. An owner may, when applying for registration or
66 18 reregistration of a motor vehicle or trailer, request that the
66 19 plates be mailed to the owner's post-office address. The
66 20 owner's request shall be accompanied by a mailing fee as
66 21 determined annually by the director in consultation with the
66 22 Iowa county treasurers association.

66 23 3. Upon application by a financial institution, as defined
66 24 in section 422.61, and approval of the application by the
66 25 county treasurer, the county treasurer in any county may
66 26 authorize the financial institution to receive applications
66 27 for renewal of vehicle registrations and payment of the annual
66 28 registration fees. The annual registration fees shall be
66 29 delivered to the county treasurer at the time the county
66 30 treasurer has processed the vehicle registration application.
66 31 ~~Registration~~ Annual registration fees received with vehicle
66 32 registration applications shall be designated as public funds
66 33 only upon receipt of such funds by the county treasurer from
66 34 the financial institution.

66 35 4. In addition to the payment of an annual registration
67 1 fee for each trailer and semitrailer to be issued an annual
67 2 registration plate, an additional registration fee may be paid
67 3 for a period of two or four subsequent registration years.

67 4 5. Seriously disabled veterans who have been provided with
67 5 an automobile or other vehicle by the United States government
67 6 under the provisions of sections 1901 to 1903, Title 38 of the
67 7 United States Code, 38 U.S.C. } 1901 et seq. (1970), shall be
67 8 exempt from payment of any automobile registration fee
67 9 provided in this chapter, and shall be provided, without fee,
67 10 with a registration plate. The disabled veteran, to be able
67 11 to claim the above benefit, must be a resident of the state of
67 12 Iowa. The disabled veteran may obtain a special or
67 13 personalized plate under section 321.34 by paying the
67 14 difference between the fee for a regular registration plate
67 15 and the fee for the special or personalized registration
67 16 plate.

67 17 Sec. 78. Section 321.106, subsections 1, 2, and 4, Code
67 18 2007, are amended to read as follows:

67 19 1. When a vehicle is registered under chapter 326 or a
67 20 motor truck, truck tractor, or road tractor is registered for
67 21 a combined gross weight exceeding five tons and there is no
67 22 delinquency and the registration is made in February or
67 23 succeeding months through November, the annual registration
67 24 fee shall be prorated for the remaining unexpired months of
67 25 the registration year. A fee shall not be required for the
67 26 month of December for a vehicle registered on a calendar year
67 27 basis on which there is no delinquency. However, except for a
67 28 vehicle registered under chapter 326, when such a vehicle is
67 29 registered in November, the vehicle may be registered for the
67 30 remaining unexpired months of the registration year or for the
67 31 remaining unexpired months of the registration year and for
67 32 the next registration year, upon payment of the applicable
67 33 registration fees.

67 34 2. When a vehicle is registered on a birth month basis and
67 35 there is no delinquency and the registration is made in the
68 1 month after the beginning of the registration year or
68 2 succeeding months, the annual registration fee shall be
68 3 prorated for the remaining unexpired months of the
68 4 registration year. A fee shall not be required for the month
68 5 of the owner's birthday for a vehicle on which there is no
68 6 delinquency. However, when a vehicle registered on a birth
68 7 month basis is registered during the eleventh month of the
68 8 registration year, the vehicle may be registered for the
68 9 remaining unexpired months of the registration year or for the
68 10 remaining unexpired months of the registration year and for
68 11 the next registration year, upon payment of the applicable
68 12 registration fees.

68 13 4. A reduction in the annual registration fee shall not be
68 14 allowed by the department until the applicant files
68 15 satisfactory evidence to prove that there is no delinquency in
68 16 registration.

68 17 Sec. 79. Section 321.109, subsection 3, Code 2007, is
68 18 amended to read as follows:

68 19 3. The owner of an unregistered motor vehicle or motor
68 20 vehicle for which the registration is delinquent may make
68 21 application to the county treasurer of the county of residence
68 22 or, if the unregistered or delinquent motor vehicle is
68 23 purchased by a nonresident of the state, to the county
68 24 treasurer in the county of purchase, for a temporary
68 25 thirty-day permit for a fee of twenty-five dollars. The
68 26 permit shall authorize the motor vehicle to be driven or towed
68 27 upon the highway, but shall not authorize a motor truck or
68 28 truck tractor to haul or tow a load. The permit fee shall not
68 29 be considered a registration fee or exempt the owner from
68 30 payment of all other fees, registration fees, and penalties
68 31 due. If the annual registration fee for the motor vehicle is
68 32 delinquent, the annual registration fee and penalty shall
68 33 continue to accrue until paid. The permit fee shall not be
68 34 prorated, refunded, or used as credit as provided under
68 35 section 321.46. The permit shall be displayed in the upper
69 1 left-hand corner of the rear window of all motor vehicles,
69 2 except motorcycles. Permits issued for a motorcycle shall be
69 3 attached to the rear of the motorcycle.

69 4 Sec. 80. Section 321.110, Code 2007, is amended to read as
69 5 follows:

69 6 321.110 REJECTING FRACTIONAL DOLLARS.

69 7 When the annual registration fee, computed according to
69 8 section 321.109, subsection 1, totals a fraction over a
69 9 certain number of dollars the fee shall be arrived at by
69 10 computing to the nearest even dollar.

69 11 Sec. 81. Section 321.113, Code 2007, is amended to read as
69 12 follows:

69 13 321.113 AUTOMATIC REDUCTION.

69 14 1. The annual registration fee for a motor vehicle shall

69 15 not be automatically reduced under this section unless the
69 16 ~~registration~~ fee is based on the value and weight of the motor
69 17 vehicle as provided in section 321.109, subsection 1.

69 18 2. If a motor vehicle is more than five model years old,
69 19 the part of the annual registration fee that is based on the
69 20 value of the vehicle shall be seventy-five percent of the rate
69 21 as fixed when the motor vehicle was new.

69 22 3. If a motor vehicle is more than six model years old,
69 23 the part of the annual registration fee that is based on the
69 24 value of the vehicle shall be fifty percent of the rate as
69 25 fixed when the motor vehicle was new.

69 26 4. If a 1994 model year or newer motor vehicle is nine
69 27 model years old or older the annual registration fee is
69 28 thirty-five dollars. For purposes of determining the portion
69 29 of the annual registration fee under this subsection that is
69 30 based upon the value of the motor vehicle, sixty percent of
69 31 the annual registration fee is attributable to the value of
69 32 the vehicle.

69 33 5. a. If a 1993 model year or older motor vehicle has
69 34 been titled in the same person's name since the vehicle was
69 35 new or the title to the vehicle was transferred prior to
70 1 January 1, 2002, the part of the annual registration fee that
70 2 is based on the value of the vehicle shall be ten percent of
70 3 the rate as fixed when the motor vehicle was new.

70 4 b. If the title of a 1993 model year or older motor
70 5 vehicle is transferred to a new owner or if such a motor
70 6 vehicle is brought into the state on or after January 1, 2002,
70 7 the annual registration fee shall not be based on the weight
70 8 and list price of the motor vehicle, but shall be as follows:

- 70 9 (1) For a motor vehicle that is model year
70 10 1969 or older:..... \$ 16.00
70 11 (2) For a motor vehicle that is model year
70 12 1970 through 1989:..... \$ 23.00
70 13 (3) For a motor vehicle that is model year
70 14 1990 through 1993:..... \$ 27.00

70 15 For purposes of determining the portion of the annual
70 16 registration fee under this paragraph "b" that is based upon
70 17 the value of the motor vehicle, sixty percent of the annual
70 18 registration fee is attributable to the value of the vehicle.

70 19 Sec. 82. Section 321.117, Code 2007, is amended to read as
70 20 follows:

70 21 321.117 MOTORCYCLE, AMBULANCE, AND HEARSE FEES.

70 22 For all motorcycles the annual registration fee shall be
70 23 twenty dollars. For all motorized bicycles the annual
70 24 registration fee shall be seven dollars. When the motorcycle
70 25 is more than five model years old, the annual registration fee
70 26 shall be ten dollars. The annual registration fee for
70 27 ambulances and hearses shall be fifty dollars. Passenger car
70 28 plates shall be issued for ambulances and hearses.

70 29 Sec. 83. Section 321.119, Code 2007, is amended to read as
70 30 follows:

70 31 321.119 CHURCH BUSES.

70 32 For motor vehicles designed to carry nine passengers or
70 33 more which are owned and used exclusively by a church or
70 34 religious organization to transport passengers to and from
70 35 activities of or sponsored by the church or religious
71 1 organization and not operated for rent or hire for purposes
71 2 unrelated to the activities of the church or religious
71 3 organization, the annual registration fee shall be twenty-five
71 4 dollars.

71 5 Sec. 84. Section 321.121, Code 2007, is amended to read as
71 6 follows:

71 7 321.121 SPECIAL TRUCKS FOR FARM USE.

71 8 1. The annual registration fee for a special truck shall
71 9 be eighty dollars for a gross weight of six tons, one hundred
71 10 dollars for a gross weight of seven tons, one hundred twenty
71 11 dollars for a gross weight of eight tons, and in addition,
71 12 fifteen dollars for each ton over eight tons and not exceeding
71 13 eighteen tons. The annual registration fee for a special
71 14 truck with a gross weight registration exceeding eighteen tons
71 15 but not exceeding nineteen tons shall be three hundred
71 16 twenty-five dollars and for a gross weight registration
71 17 exceeding nineteen tons but not exceeding twenty tons the
71 18 annual registration fee shall be three hundred seventy-five
71 19 dollars. The additional annual registration fee for a special
71 20 truck for a gross weight registration in excess of twenty tons
71 21 is twenty-five dollars for each ton over twenty tons and not
71 22 exceeding thirty-two tons.

71 23 2. A person convicted of or found by audit to be using a
71 24 motor vehicle registered as a special truck for any purpose
71 25 other than permitted by section 321.1, subsection 76, shall,

71 26 in addition to any other penalty imposed by law, be required
71 27 to pay regular annual motor vehicle registration fees upon for
71 28 such motor vehicle.

71 29 Sec. 85. Section 321.123, unnumbered paragraph 1, Code
71 30 2007, is amended to read as follows:

71 31 All trailers except farm trailers, mobile homes, and
71 32 manufactured homes, unless otherwise provided in this section,
71 33 are subject to ~~a~~ an annual registration fee of ten dollars.
71 34 Trailers for which the empty weight is two thousand pounds or
71 35 less are exempt from the certificate of title and lien
72 1 provisions of this chapter. Fees collected under this section
72 2 shall not be reduced or prorated under chapter 326.

72 3 Sec. 86. Section 321.123, subsection 1, unnumbered
72 4 paragraph 1, Code 2007, is amended to read as follows:

72 5 Travel trailers and fifth-wheel travel trailers, except
72 6 those in manufacturer's or dealer's stock, shall be subject to
72 7 an annual registration fee of twenty cents per square foot of
72 8 floor space computed on the exterior overall measurements, but
72 9 excluding three feet occupied by any trailer hitch as provided
72 10 by and certified to by the owner, to the nearest whole dollar.
72 11 When a travel trailer or fifth-wheel travel trailer is
72 12 registered in Iowa for the first time or when title is
72 13 transferred, the annual registration fee shall be prorated on
72 14 a monthly basis. The annual registration fee shall be reduced
72 15 to seventy-five percent of the full fee after the vehicle is
72 16 more than six model years old.

72 17 Sec. 87. Section 321.125, Code 2007, is amended to read as
72 18 follows:

72 19 321.125 EFFECT OF EXEMPTION.

72 20 The exemption of a motor vehicle from ~~a~~ an annual
72 21 registration fee or a fee for new registration shall not
72 22 exempt the operator of such vehicle from the performance of
72 23 any other duty imposed on the operator by this chapter.

72 24 Sec. 88. Section 321.126, Code 2007, is amended to read as
72 25 follows:

72 26 321.126 REFUNDS OF ANNUAL REGISTRATION FEES.

72 27 Refunds of unexpired annual vehicle registration fees shall
72 28 be allowed in accordance with this section, except that no
72 29 refund shall be allowed and paid if the unused portion of the
72 30 fee is less than ten dollars. Subsections 1 and 2 do not
72 31 apply to vehicles registered by the county treasurer. The
72 32 refunds shall be made as follows:

72 33 1. If the vehicle is destroyed by fire or accident, or
72 34 junked and its identity as a vehicle entirely eliminated, the
72 35 owner in whose name the vehicle was registered at the time of
73 1 destruction or dismantling shall return the plates to the
73 2 department and within thirty days thereafter make a statement
73 3 of such destruction or dismantling and make claim for refund.
73 4 With reference to the destruction or dismantling of a vehicle,
73 5 no refund shall be allowed unless a junking certificate has
73 6 been issued, as provided in section 321.52.

73 7 2. If the vehicle is stolen, the owner shall give notice
73 8 of the theft to the department within five days. If the
73 9 vehicle is not recovered by the owner thirty days prior to the
73 10 end of the current registration year, the owner shall make a
73 11 statement of the theft and make claim for refund.

73 12 3. If the vehicle is placed in storage by the owner upon
73 13 the owner's entry into the military service of the United
73 14 States, the owner shall return the plates to the county
73 15 treasurer or the department and make a statement regarding the
73 16 storage and military service and make claim for refund.
73 17 Whenever the owner of a vehicle so placed in storage desires
73 18 to again register the vehicle, the county treasurer or
73 19 department shall compute and collect the fees for registration
73 20 for the registration year commencing in the month the vehicle
73 21 is removed from storage.

73 22 4. If the vehicle is registered by the county treasurer
73 23 during the current registration year and the owner or lessee
73 24 registers the vehicle for proportional registration under
73 25 chapter 326, the owner of the registered vehicle shall
73 26 surrender the registration plates to the county treasurer and
73 27 may file a claim for refund. In lieu of a refund, a credit
73 28 for the annual registration fees paid to the county treasurer
73 29 may be applied by the department to the owner or lessee's
73 30 proportional registration fees upon the surrender of the
73 31 county plates and registration.

73 32 5. A refund for trailers and semitrailers issued a
73 33 multiyear registration plate shall be paid by the department
73 34 upon application.

73 35 6. If a vehicle is sold or junked, the owner in whose name
74 1 the vehicle was registered may make claim to the county

74 2 treasurer or department for a refund of the sold or junked
74 3 vehicle's annual registration fee. Also if the owner of a
74 4 vehicle receives a vehicle registration fee credit under
74 5 section 321.46, subsection 3, and the credit allowed exceeds
74 6 the amount of the annual registration fee for the vehicle
74 7 acquired, the owner may claim a refund for the balance of the
74 8 credit. The refund is subject to the following limitations:

74 9 a. If a vehicle registration fee credit has not been
74 10 received by the owner of the vehicle under section 321.46,
74 11 subsection 3, the refund shall be computed on the basis of the
74 12 number of unexpired months remaining in the registration year
74 13 at the time the vehicle was sold or junked. The refund shall
74 14 be rounded to the nearest whole dollar. Section 321.127,
74 15 subsection 1, does not apply.

74 16 b. The refund shall only be allowed if the owner makes
74 17 claim for the refund within six months after the date of the
74 18 vehicle's sale, trade, or junking.

74 19 c. This subsection does not apply to vehicles registered
74 20 under chapter 326.

74 21 7. If the vehicle was leased and an affidavit was filed by
74 22 the lessor or the lessee as provided in section 321.46, the
74 23 lessor or the lessee, as applicable, may make a claim for a
74 24 refund with the county treasurer of the county where the
74 25 vehicle was registered within six months of the vehicle's
74 26 surrender to the lessor. The refund shall be paid to either
74 27 the lessor or the lessee, as specified on the application for
74 28 title and registration pursuant to section 321.20.

74 29 8. If the owner of the vehicle moves out of state, the
74 30 owner may make a claim for a refund by returning the Iowa
74 31 registration plates, along with evidence of the vehicle's
74 32 registration in another jurisdiction, to the county treasurer
74 33 of the county in which the vehicle was registered within six
74 34 months of the out-of-state registration. For purposes of
74 35 section 321.127, the unexpired months remaining in the
75 1 registration year shall be calculated on the basis of the
75 2 effective date of the out-of-state registration. However, for
75 3 the purpose of timely issuance of the refund, the claim for a
75 4 refund under this subsection is considered to be filed on the
75 5 date the registration documents are received by the county
75 6 treasurer.

75 7 9. Notwithstanding any provision of this section to the
75 8 contrary, there shall be no refund of proportional
75 9 registration fees unless the state which issued the base plate
75 10 for the vehicle allows such refund. If an owner subject to
75 11 proportional registration leases the vehicle for which the
75 12 refund is sought, the claim shall be filed in the names of
75 13 both the lessee and the lessor and the refund payment made
75 14 payable to both the lessor and the lessee. The term "owner"
75 15 for purposes of this section shall include a person in whom is
75 16 vested right of possession or control of a vehicle which is
75 17 subject to a lease, contract, or other legal arrangement
75 18 vesting right of possession or control in addition to the term
75 19 as defined in section 321.1, subsection 49.

75 20 Sec. 89. Section 321.127, subsection 1, Code 2007, is
75 21 amended to read as follows:

75 22 1. The refund of the annual registration fee for vehicles
75 23 shall be computed on the basis of the number of unexpired
75 24 months remaining in the registration year from date of filing
75 25 of the claim for refund with the county treasurer, computed to
75 26 the nearest dollar.

75 27 Sec. 90. Section 321.132, Code 2007, is amended to read as
75 28 follows:

75 29 321.132 WHEN LIEN ATTACHES.

75 30 The lien of the original annual registration fee attaches,
75 31 at the time the fee is first payable, as provided by law, and
75 32 the lien of all renewals of registration attach on the first
75 33 day of each succeeding registration year.

75 34 Sec. 91. Section 321.134, Code Supplement 2007, is amended
75 35 to read as follows:

76 1 321.134 MONTHLY PENALTY.

76 2 1. On the first day of the second month following the
76 3 beginning of each registration year a penalty of five percent
76 4 of the annual registration fee shall be added to the annual
76 5 registration fees not paid by that date and an additional
76 6 penalty of five percent shall be added the first day of each
76 7 succeeding month, until the fee is paid. A penalty shall not
76 8 be less than five dollars. If the owner of a vehicle
76 9 surrenders the registration plates for a vehicle prior to the
76 10 plates becoming delinquent, to the county treasurer of the
76 11 county where the vehicle is registered, or to the department
76 12 if the vehicle is registered under chapter 326, the owner may

76 13 register the vehicle any time thereafter upon payment of the
76 14 annual registration fee for the registration year without
76 15 penalty. The penalty on vehicles registered under chapter 326
76 16 shall accrue February 1 of each year. To avoid a penalty or
76 17 an additional penalty in the case of a delinquent
76 18 registration, if the last calendar day of a month falls on
76 19 Saturday, Sunday, or a holiday, the payment deadline is
76 20 extended to include the first business day of the following
76 21 month. For payments made through a county treasurer's
76 22 authorized website only, if the last day of the month falls on
76 23 a Saturday, Sunday, or a holiday, the electronic payment must
76 24 be initiated by midnight on the first business day of the next
76 25 month. All other electronic payments must be initiated by
76 26 midnight on the last day of the month preceding the delinquent
76 27 date.

76 28 2. The annual registration fee for trucks, truck tractors,
76 29 and road tractors, as provided in sections 321.121 and
76 30 321.122, may be payable in two equal semiannual installments
76 31 if the annual registration fee exceeds the annual registration
76 32 fee for a vehicle with a gross weight exceeding five tons.
76 33 The penalties provided in subsection 1 shall be computed on
76 34 the amount of the first installment only and on the first day
76 35 of the seventh month of the registration period the same rate
77 1 of penalty shall apply to the second installment, until the
77 2 fee is paid. Semiannual installments do not apply to
77 3 commercial vehicles, as defined under section 326.2, subject
77 4 to proportional registration, with a base state other than the
77 5 state of Iowa, as defined in section 326.2, subsection 1. The
77 6 penalty on vehicles registered under chapter 326 accrues
77 7 August 1 of each year except as provided in section 326.6.
77 8 The department shall not allow the annual registration fee for
77 9 a commercial vehicle registered under chapter 326 to be paid
77 10 in two equal semiannual installments for five years after the
77 11 registrant has paid the annual registration fee late for two
77 12 consecutive years.

77 13 3. If a penalty applies to ~~a~~ an annual vehicle
77 14 registration fee provided for in sections 321.121 and 321.122,
77 15 the same penalty shall be assessed on the fees collected to
77 16 increase the registered gross weight of the vehicle, if the
77 17 increased gross weight is requested within forty-five days
77 18 from the date the delinquent vehicle is registered for the
77 19 current registration period.

77 20 4. Notwithstanding subsections 1 through 3, if a vehicle
77 21 registration is delinquent for twenty-four months or more, a
77 22 flat penalty and fee shall be assessed for the delinquent
77 23 period in addition to the current annual registration fee.
77 24 The flat penalty and fee shall be one hundred fifty percent of
77 25 the current annual registration fee.

77 26 5. The department shall waive the penalties imposed by
77 27 this section for an owner who is in the military service of
77 28 the United States and who has been relocated as a result of
77 29 being placed on active duty on or after September 11, 2001.
77 30 The department shall adopt rules to implement this subsection,
77 31 including, if necessary, procedures for refunding penalties
77 32 collected prior to March 29, 2004.

77 33 Sec. 92. Section 321.135, Code 2007, is amended to read as
77 34 follows:

77 35 321.135 WHEN FEES DELINQUENT.

78 1 Except as otherwise provided, ~~delinquencies begin annual~~
78 2 registration fees become delinquent and penalties accrue the
78 3 first of the month following the purchase of a new vehicle,
78 4 and thirty days following the date a vehicle is brought into
78 5 the state.

78 6 Sec. 93. Section 321.151, Code 2007, is amended to read as
78 7 follows:

78 8 321.151 DUTY AND LIABILITY OF TREASURER.

78 9 The county treasurer shall collect the registration fee,
78 10 the fee for new registration, and penalties on each vehicle
78 11 registered by the county treasurer and shall be responsible on
78 12 the county treasurer's bond for such amount. The county
78 13 treasurer shall remit such amount to the treasurer of state as
78 14 provided in this chapter. Fees collected pursuant to
78 15 participation in county issuance of driver's licenses under
78 16 chapter 321M shall be governed by the provisions of that
78 17 chapter.

78 18 Sec. 94. Section 321.152, subsection 1, Code 2007, is
78 19 amended to read as follows:

78 20 1. Four percent of the total collection, excluding the
78 21 amount of any fee for new registration, for each annual or
78 22 semiannual vehicle registration and each duplicate
78 23 registration card or plate issued.

78 24 Sec. 95. Section 321.152, Code 2007, is amended by adding
78 25 the following new subsection:

78 26 NEW SUBSECTION. 5. One dollar from each fee for new
78 27 registration collected pursuant to section 321.105A.

78 28 Sec. 96. Section 321.159, Code 2007, is amended to read as
78 29 follows:

78 30 321.159 EXCEPTIONAL CASES == ANNUAL REGISTRATION FEE.

78 31 The department shall have the power to fix the annual
78 32 registration fee on all makes and models of motor vehicles
78 33 which are not now being furnished or upon which the statement
78 34 from the factory cannot be obtained.

78 35 For a current year model of a motor vehicle for which the
79 1 manufacturer or importer of the motor vehicle has not provided
79 2 the weight and list price, the department shall set the annual
79 3 registration fee at ten dollars greater than the annual
79 4 registration fee for the previous year model. Once the
79 5 manufacturer or importer provides the required information,
79 6 the information shall be used to set the annual registration
79 7 fee or the registration renewal fee for the succeeding
79 8 registration or registration renewal time for the motor
79 9 vehicle.

79 10 Sec. 97. Section 321.170, Code 2007, is amended to read as
79 11 follows:

79 12 321.170 PLATES FOR EXEMPT VEHICLES.

79 13 The department shall furnish, on application, free of
79 14 charge, distinguishing plates for motor vehicles exempted from
79 15 ~~a~~ annual registration ~~fee~~ fees and shall keep a separate
79 16 record thereof.

79 17 Sec. 98. Section 322G.4, subsection 2, unnumbered
79 18 paragraph 2, Code 2007, is amended to read as follows:

79 19 Refunds shall be made to the consumer and lienholder of
79 20 record, if any, as their interests appear. If applicable,
79 21 refunds shall be made to the lessor and lessee as follows:
79 22 the lessee shall receive the lessee's cost less a reasonable
79 23 offset for use, and the lessor shall receive the lease price
79 24 less the aggregate deposit and rental payments previously paid
79 25 to the lessor for the leased vehicle. If it is determined
79 26 that the lessee is entitled to a refund pursuant to this
79 27 chapter, the consumer's lease agreement with the lessor is
79 28 terminated upon payment of the refund and no penalty for early
79 29 termination shall be assessed. The department of revenue
79 30 shall refund to the manufacturer any use tax or fee for new
79 31 registration which the manufacturer refunded to the consumer,
79 32 lessee, or lessor under this section, if the manufacturer
79 33 provides to the department of revenue a written request for a
79 34 refund and evidence that the use tax or fee for new
79 35 registration was paid when the vehicle was purchased and that
80 1 the manufacturer refunded the use tax or fee for new
80 2 registration to the consumer, lessee, or lessor.

80 3 Sec. 99. Section 322G.12, unnumbered paragraph 1, Code
80 4 2007, is amended to read as follows:

80 5 A manufacturer who accepts the return of a motor vehicle
80 6 pursuant to a settlement, determination, or decision under
80 7 this chapter shall notify the state department of
80 8 transportation, report the vehicle identification number of
80 9 that motor vehicle within ten days after the acceptance, and
80 10 obtain a new certificate of title for the vehicle in the
80 11 manufacturer's name pursuant to section 321.46. In obtaining
80 12 a new certificate of title, the manufacturer shall title the
80 13 vehicle in the county of the transferor's residence and shall
80 14 be exempt from the registration fee requirements of section
80 15 321.46. ~~For purposes of chapter 423, a manufacturer's~~
~~80 16 acceptance of the return of a motor vehicle, as described in~~
~~80 17 this section, shall not be considered "use", as defined in~~
~~80 18 section 423.1 and the fee for new registration under section~~
~~80 19 321.105A.~~ The new certificate of title, and all subsequent
80 20 registration receipts and certificates of title issued for the
80 21 motor vehicle, shall contain a designation indicating that the
80 22 motor vehicle was returned to the manufacturer pursuant to
80 23 this chapter or a similar law of another state. The state
80 24 department of transportation shall determine the manner in
80 25 which the designation is to be indicated on registration
80 26 receipts and certificates of title and may determine that a
80 27 "REBUILT" or "SALVAGE" designation supersedes the designation
80 28 required by this paragraph and include the "REBUILT" or
80 29 "SALVAGE" designation on the registration receipt and
80 30 certificate of title in lieu of the designation required by
80 31 this paragraph.

80 32 Sec. 100. Section 326.2, Code 2007, is amended by adding
80 33 the following new subsection:

80 34 NEW SUBSECTION. 11A. "Registration fee" means the annual

80 35 motor vehicle registration fee imposed pursuant to section
81 1 321.105, unless otherwise specified.
81 2 Sec. 101. Section 327I.26, Code 2007, is amended to read
81 3 as follows:
81 4 327I.26 APPROPRIATION TO AUTHORITY.
81 5 ~~Notwithstanding section 423.43, and prior to the~~
81 6 ~~application of section 423.43, subsection 1, paragraph "b",~~
81 7 ~~there~~ There shall be deposited into the general fund of the
81 8 state and is appropriated to the authority from eighty percent
81 9 of the revenues derived from the operation of section 423.26
81 10 moneys available under section 321.145, subsection 2, the
81 11 amounts certified by the authority under section 327I.25.
81 12 However, the total amount deposited into the general fund and
81 13 appropriated to the Iowa railway finance authority under this
81 14 section shall not exceed two million dollars annually. Moneys
81 15 appropriated to the Iowa railway finance authority under this
81 16 section are appropriated only for the payment of principal and
81 17 interest on obligations or the payment of leases guaranteed by
81 18 the authority as provided under section 327I.25.
81 19 Sec. 102. Section 331.557, subsection 3, Code 2007, is
81 20 amended to read as follows:
81 21 3. Collect the use tax on vehicles subject to registration
81 22 only to a certificate of title and on manufactured housing as
81 23 provided in sections section 423.14, and section 423.26, and
81 24 423.27, subsection 1.
81 25 Sec. 103. Section 423.5, subsection 3, Code 2007, is
81 26 amended to read as follows:
81 27 3. The use of leased vehicles, if the lease transaction
81 28 does not require titling or registration of the vehicle, on
81 29 the amount subject to tax as calculated pursuant to section
81 30 423.27 423.26, subsection 2.
81 31 Sec. 104. Section 423.36, subsection 8, paragraph b,
81 32 subparagraph (2), Code 2007, is amended to read as follows:
81 33 (2) Taxes imposed under ~~sections section 423.26 and 423.27~~
81 34 and chapter 423C.
81 35 Sec. 105. Section 423.57, Code Supplement 2007, is amended
82 1 to read as follows:
82 2 423.57 STATUTES APPLICABLE.
82 3 The director shall administer this subchapter as it relates
82 4 to the taxes imposed in this chapter in the same manner and
82 5 subject to all the provisions of, and all of the powers,
82 6 duties, authority, and restrictions contained in sections
82 7 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
82 8 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
82 9 423.32, 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
82 10 423.40, 423.41, and 423.42, section 423.43, subsection 3 1,
82 11 and sections 423.45, 423.46, and 423.47.
82 12 Sec. 106. Section 423B.4, unnumbered paragraphs 2 and 3,
82 13 Code 2007, are amended to read as follows:
82 14 Payment of a local vehicle tax shall be evidenced by a
82 15 notation on the state registration certificate. The director
82 16 of the department of transportation shall prescribe by rule
82 17 the type of notation. A local vehicle tax shall not be
82 18 refunded even when annual state registration fees are
82 19 refunded.
82 20 Penalties for late payment which are comparable to the
82 21 penalties for late payment of annual state registration fees
82 22 shall be imposed by the ordinance imposing a local vehicle
82 23 tax. Willful violation of a local vehicle tax ordinance is a
82 24 simple misdemeanor.
82 25 Sec. 107. Section 455D.11C, subsection 1, Code 2007, is
82 26 amended to read as follows:
82 27 1. A waste tire management fund is created within the
82 28 state treasury. ~~Moneys~~ For the fiscal year beginning July 1,
82 29 2002, through the fiscal year beginning July 1, 2006, moneys
82 30 received from each five dollar surcharge on the issuance of a
82 31 certificate of title shall be deposited as provided in section
82 32 321.52A, subsection 2 Code 2007. Notwithstanding section
82 33 8.33, any unexpended balance in the fund at the end of each
82 34 fiscal year shall be retained in the fund. Notwithstanding
82 35 section 12C.7, any interest or earnings on investments from
83 1 moneys in the fund shall be credited to the fund. Moneys from
83 2 the fund that are expended by the department in closing or
83 3 bringing into compliance a waste tire collection site pursuant
83 4 to section 455D.11A and later recouped by the department shall
83 5 be credited to the fund.
83 6 Sec. 108. Section 455G.3, subsection 1, Code 2007, is
83 7 amended to read as follows:
83 8 1. The Iowa comprehensive petroleum underground storage
83 9 tank fund is created as a separate fund in the state treasury,
83 10 and any funds remaining in the fund at the end of each fiscal

83 11 year shall not revert to the general fund but shall remain in
83 12 the Iowa comprehensive petroleum underground storage tank
83 13 fund. Interest or other income earned by the fund shall be
83 14 deposited in the fund. The fund shall include moneys credited
83 15 to the fund under this section, section ~~423.43~~ 321.145,
83 16 subsection ~~± 2~~, paragraph "a", and sections 455G.8, 455G.9,
83 17 and 455G.11, Code 2003, and other funds which by law may be
83 18 credited to the fund. The moneys in the fund are appropriated
83 19 to and for the purposes of the board as provided in this
83 20 chapter. Amounts in the fund shall not be subject to
83 21 appropriation for any other purpose by the general assembly,
83 22 but shall be used only for the purposes set forth in this
83 23 chapter. The treasurer of state shall act as custodian of the
83 24 fund and disburse amounts contained in it as directed by the
83 25 board including automatic disbursements of funds as received
83 26 pursuant to the terms of bond indentures and documents and
83 27 security provisions to trustees and custodians. The treasurer
83 28 of state is authorized to invest the funds deposited in the
83 29 fund at the direction of the board and subject to any
83 30 limitations contained in any applicable bond proceedings. The
83 31 income from such investment shall be credited to and deposited
83 32 in the fund. The fund shall be administered by the board
83 33 which shall make expenditures from the fund consistent with
83 34 the purposes of the programs set out in this chapter without
83 35 further appropriation. The fund may be divided into different
84 1 accounts with different depositories as determined by the
84 2 board and to fulfill the purposes of this chapter.

84 3 Sec. 109. Section 455G.6, subsection 4, Code 2007, is
84 4 amended to read as follows:

84 5 4. Grant a mortgage, lien, pledge, assignment, or other
84 6 encumbrance on one or more improvements, revenues, asset of
84 7 right, accounts, or funds established or received in
84 8 connection with the fund, including revenues derived from the
84 9 ~~use tax moneys credited~~ under section ~~423.43~~ 321.145,
84 10 subsection ~~± 2~~, paragraph "a", and deposited in the fund or an
84 11 account of the fund.

84 12 Sec. 110. Section 455G.8, subsection 2, Code 2007, is
84 13 amended to read as follows:

84 14 2. ~~USE TAX DRIVER'S LICENSE FEES, TITLE FEES, AND TRAILER~~
84 15 ~~REGISTRATION FEES.~~ The revenues derived from the ~~use tax fees~~
84 16 imposed under chapter ~~423, subchapter III~~ 321. The ~~proceeds~~
84 17 ~~of the use tax moneys credited~~ under section ~~423.43~~ 321.145,
84 18 subsection ~~± 2~~, paragraph "a", shall be allocated, consistent
84 19 with this chapter, among the fund's accounts, for debt service
84 20 and other fund expenses, according to the fund budget,
84 21 resolution, trust agreement, or other instrument prepared or
84 22 entered into by the board or authority under direction of the
84 23 board.

84 24 Sec. 111. Section 321.115, subsection 1, as enacted by
84 25 2007 Iowa Acts, chapter 143, section 12, is amended to read as
84 26 follows:

84 27 1. A motor vehicle twenty-five years old or older may be
84 28 registered as an antique vehicle ~~upon payment of.~~ The annual
84 29 ~~registration fee is~~ the fee provided ~~for~~ in section 321.113,
84 30 321.122, or 321.124. The owner of a motor vehicle registered
84 31 under this subsection may display authentic Iowa registration
84 32 plates from the model year of the motor vehicle, furnished by
84 33 the person and approved by the department, in lieu of the
84 34 current and valid Iowa registration plates issued for the
84 35 vehicle, provided that the current and valid Iowa registration
85 1 plates and the registration card issued for the vehicle are
85 2 simultaneously carried within the vehicle and are available
85 3 for inspection to any peace officer upon the officer's
85 4 request.

85 5 Sec. 112. 2007 Iowa Acts, chapter 179, section 6, is
85 6 amended to read as follows:

85 7 SEC. 6. Section 423.57, Code 2007, as amended by this Act,
85 8 is amended to read as follows:
85 9 423.57 STATUTES APPLICABLE.

85 10 The director shall administer this subchapter as it relates
85 11 to the taxes imposed in this chapter in the same manner and
85 12 subject to all the provisions of, and all of the powers,
85 13 duties, authority, and restrictions contained in sections
85 14 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
85 15 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
85 16 423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,
85 17 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
85 18 ~~± 1~~, and sections 423.45, 423.46, and 423.47.

85 19 Sec. 113. Section 423.44, Code 2007, is repealed.

85 20 Sec. 114. PRIOR USE TAX LIABILITY. The enactment of this
85 21 division of this Act does not affect a person's liability for

85 22 any use tax, penalty, or interest owed by the person prior to
85 23 the effective date of this division of this Act.
85 24 Sec. 115. EFFECTIVE DATE. The section of this division of
85 25 this Act amending 2007 Iowa Acts, chapter 179, takes effect
85 26 January 1, 2009.

85 27 EXPLANATION

85 28 This bill increases registration fees charged for certain
85 29 motor vehicles, fees charged for certificates of title, and
85 30 trailer registration fees and appropriates the additional
85 31 revenues to the transportation investment moves the economy in
85 32 the twenty-first century (TIME=21) fund. The bill also
85 33 replaces the use tax on vehicles with a registration fee
85 34 imposed at the time of application for registration and a
85 35 certificate of title.

86 1 DIVISION I == MOTOR VEHICLES. The bill requires the
86 2 treasurer of state, prior to distributing moneys under the
86 3 road use tax fund formula, to credit to the TIME=21 fund the
86 4 amount collected from annual motor vehicle registration fees
86 5 that is in excess of \$346 million annually. The provision
86 6 crediting revenues to the TIME=21 fund is repealed, and the
86 7 revenues will revert to the road use tax fund, on June 30,
86 8 2028. Pursuant to current law, the TIME=21 fund is scheduled
86 9 to be dissolved on that date.

86 10 The bill requires that most 2010 and newer model year motor
86 11 trucks with an unladen weight of 10,000 pounds or less be
86 12 registered for a fee based on the weight and value of the
86 13 vehicle. Currently, such trucks are registered for a flat fee
86 14 based on combined gross weight. Under the bill,
86 15 business=trade trucks will continue to be registered for a
86 16 flat fee. The bill defines "business=trade truck" as a motor
86 17 truck with an unladen weight of 10,000 pounds or less that is
86 18 owned, leased, or used by a person who files a schedule C or
86 19 schedule F form for federal tax purposes, that is eligible for
86 20 depreciation for federal tax purposes, or that is owned,
86 21 leased, or used by a person engaged in a business or trade and
86 22 regularly used for hauling certain items for that business or
86 23 trade or owned, leased, or used by a person engaged in the
86 24 production of farm products with a value of at least \$1,000
86 25 annually. A person who registers a vehicle as a
86 26 business=trade truck shall be required to provide proof or
86 27 affirm under penalty of perjury that the vehicle meets the
86 28 qualifications for such registration.

86 29 Passenger vehicles are registered for a fee that is based
86 30 on the weight and value of the vehicle: 1 percent of the
86 31 vehicle's value plus 40 cents for each 100 pounds of weight of
86 32 the vehicle. Currently, the amount of the fee that is based
86 33 on value is reduced to 75 percent of the rate as fixed when
86 34 the vehicle was new if the vehicle is more than five model
86 35 years old and 50 percent if the vehicle is more than six model
87 1 years old. When the vehicle is nine model years old or older,
87 2 the registration fee drops to \$35. In addition, certain older
87 3 vehicles that fall under prior fee schedules pay more modest
87 4 fees of \$16, \$23, or \$27. The bill provides an expanded
87 5 schedule for fee reductions as follows: When the vehicle is
87 6 more than seven model years old, the amount of the fee based
87 7 on value is 75 percent of the rate as fixed when the vehicle
87 8 was new; when the vehicle is more than nine model years old,
87 9 that amount is 50 percent; when the vehicle is 12 model years
87 10 old or older, the fee drops to \$75. However, under the bill,
87 11 if the registration fee under the new rate schedule is higher
87 12 than the owner paid for the same vehicle in the previous
87 13 registration year, the fee will be the fee from the previous
87 14 year. The owner of a vehicle currently paying a fee of less
87 15 than \$75 will continue to pay that lower fee for as long as
87 16 they own the vehicle. The fee for a vehicle registered by the
87 17 owner as an antique vehicle prior to January 1, 2009, will be
87 18 \$23 for model years 1970=1983 and \$16 for model years 1969 and
87 19 older.

87 20 Fees for special trucks for farm use, which are registered
87 21 for a gross weight of six tons through 32 tons, are increased
87 22 under the bill. For a gross weight of six tons, the fee is
87 23 increased from \$80 to \$100; for a gross weight of seven tons,
87 24 from \$100 to \$125; and for a gross weight of eight tons, from
87 25 \$120 to \$155. Fees for special trucks with a gross weight of
87 26 nine through 18 tons are established as follows: nine tons,
87 27 \$170; 10 tons, \$190; 11 tons, \$205; 12 tons, \$225; 13 tons,
87 28 \$245; 14 tons, \$265; 15 tons, \$280; 16 tons, \$295; 17 tons,
87 29 \$305; and 18 tons, \$315. The fees apply for vehicles
87 30 registered by a new owner for a 2009 or subsequent
87 31 registration year. Current owners will continue to pay
87 32 current fees for as long as they own their vehicles.

87 33 The bill also revises the flat fee schedule for motor
87 34 trucks registered for a combined gross weight, including
87 35 business=trade trucks. For a combined gross weight of three
88 1 tons or less, the fee is increased from \$65 to \$100.
88 2 Registration fees for a combined gross weight exceeding three
88 3 tons and up to eight tons are increased as follows: For more
88 4 than three tons but not more than four tons, the fee is
88 5 increased from \$80 to \$120; for more than four tons but not
88 6 more than five tons, from \$90 to \$135; for more than five tons
88 7 but not more than six tons, from \$105 to \$150; for more than
88 8 six tons but not more than seven tons, from \$130 to \$165; and
88 9 for more than seven tons but not more than eight tons, from
88 10 \$165 to \$175. The new fees apply for vehicles registered by a
88 11 new owner for a 2009 or subsequent registration year. Current
88 12 owners will continue to pay the fee they paid for the 2008
88 13 registration year for as long as they own the vehicle.

88 14 This division of the bill takes effect January 1, 2009, and
88 15 applies to vehicles registered for registration years
88 16 beginning in 2009 and thereafter.

88 17 DIVISION II == TITLE FEES. The bill increases the fee
88 18 charged for issuance of a certificate of title for a motor
88 19 vehicle or trailer from \$10 to \$20. The fees for a salvage
88 20 certificate of title and for a motor vehicle returned to a
88 21 manufacturer are increased from \$2 to \$10.

88 22 The bill requires the treasurer of state, prior to
88 23 distributing moneys under the road use tax fund formula, to
88 24 credit monthly to the TIME=21 fund an amount equal to the
88 25 revenues attributable to the increase in title fees under the
88 26 bill. The provision crediting revenues to the TIME=21 fund is
88 27 repealed and new revenues will revert to the road use tax fund
88 28 on June 30, 2028. Pursuant to current law, the TIME=21 fund
88 29 is scheduled to be dissolved on that date.

88 30 DIVISION III == TRAILER REGISTRATION FEES. The bill
88 31 increases the fee charged for registration of trailers.
88 32 Currently, most trailers other than farm trailers and trailers
88 33 registered for the combined gross weight of the vehicle are
88 34 subject to a \$10 registration fee. The bill increases the fee
88 35 to \$20 for such trailers with an empty weight of 2,000 pounds
89 1 or less, and \$30 for such trailers with an empty weight in
89 2 excess of 2,000 pounds. The registration fee for travel
89 3 trailers and fifth-wheel travel trailers, which is based on
89 4 square footage, is increased from 20 cents to 30 cents per
89 5 square foot.

89 6 The bill requires the treasurer of state, prior to
89 7 distributing moneys under the road use tax fund formula, to
89 8 credit monthly to the TIME=21 fund an amount equal to the
89 9 revenues attributable to the increase in trailer registration
89 10 fees under the bill. The provision crediting revenues to the
89 11 TIME=21 fund is repealed and new revenues will revert to the
89 12 road use tax fund on June 30, 2028. Pursuant to current law,
89 13 the TIME=21 fund is scheduled to be dissolved on that date.

89 14 This division of the bill takes effect January 1, 2009, and
89 15 applies to trailers registered for registration years
89 16 beginning in 2009 and thereafter.

89 17 DIVISION IV == MOTORCYCLE OPERATOR'S LICENSE FEE. The bill
89 18 increases the additional fee required for a license valid for
89 19 operation of a motorcycle from \$1 to \$2. Pursuant to current
89 20 law and as provided in the bill, revenues from those fees are
89 21 credited to the motorcycle rider education fund.

89 22 DIVISION V == USE TAX ON MOTOR VEHICLES REPEALED == FEE FOR
89 23 NEW REGISTRATION IMPOSED. This division of the bill
89 24 eliminates the imposition of the use tax on motor vehicles
89 25 subject to registration and the use tax on leased motor
89 26 vehicles, provides alternate sources of revenue for purposes
89 27 currently funded from revenues derived from the motor vehicle
89 28 use tax, and establishes a one-time motor vehicle registration
89 29 fee called the "fee for new registration".

89 30 PART 1 == ROAD USE TAX FUND. Currently, there are several
89 31 purposes for which motor vehicle use taxes are allocated which
89 32 are not eligible under Iowa's constitution for funding from
89 33 motor vehicle registration fees. The bill directs that, prior
89 34 to allocation from the road use tax fund, an amount equal to
89 35 10 percent of the revenue collected from the fee for new
90 1 registration on vehicles other than leased motor vehicles is
90 2 to be credited monthly to the primary road fund to be used for
90 3 the commercial and industrial highway network. This continues
90 4 current funding levels for that purpose.

90 5 The remaining purposes currently funded from vehicle use
90 6 taxes will continue to be funded under the bill from revenue
90 7 sources that accrue to the road use tax fund but are not
90 8 constitutionally protected. Those sources include trailer

90 9 registration fees, fees from driver's licenses and
90 10 nonoperator's identification cards, title fees and the
90 11 certificate of title surcharge, revenues from the automobile
90 12 rental excise tax, and revenues from the use tax on mobile
90 13 homes and manufactured homes and on leased vehicles not
90 14 subject to registration and title. Pursuant to current law,
90 15 revenues from the environmental protection charge on petroleum
90 16 diminution are deposited into the road use tax fund, and \$4.25
90 17 million is credited quarterly from vehicle use tax moneys to
90 18 the Iowa comprehensive petroleum underground storage tank
90 19 fund. The bill directs the treasurer of state to credit that
90 20 same amount to the fund from the unprotected revenue sources
90 21 identified in the bill. After the obligation to the Iowa
90 22 petroleum underground storage tank fund is met, moneys shall
90 23 be credited in order of priority as follows:

90 24 1. An amount equal to 4 percent of the revenue collected
90 25 from the fee for new registration on vehicles other than
90 26 leased vehicles is to be credited for purposes of public
90 27 transit assistance .

90 28 2. An amount equal to \$2 per year of license validity for
90 29 each issued or renewed driver's license valid for the
90 30 operation of a motorcycle shall be credited to the motorcycle
90 31 rider education fund. This doubles current funding levels due
90 32 to the doubling of the additional fee for a motorcycle
90 33 operator's license by the bill.

90 34 3. Amounts required to be transferred from the sale of
90 35 special motor vehicle registration plates are to be credited
91 1 for the various purposes associated with those plates.

91 2 4. Amounts of up to \$2 million per year may be credited to
91 3 the railway finance authority for payments on obligations
91 4 certified by the authority and lease payments guaranteed by
91 5 the authority.

91 6 5. Amounts required for certain projects on bridges over
91 7 rivers bordering the state, which are not eligible for funding
91 8 from the road use tax fund, may be credited to the primary
91 9 road fund at the direction of the department of
91 10 transportation.

91 11 PART 2 == FEE FOR NEW VEHICLE REGISTRATION. The bill
91 12 establishes a new vehicle registration fee, referred to as the
91 13 "fee for new registration", which amounts to 5 percent of the
91 14 purchase price of a vehicle subject to registration, or 5
91 15 percent of the leased price for each vehicle subject to
91 16 registration with a gross vehicle weight rating of less than
91 17 16,000 pounds, excluding motorcycles and motorized bicycles,
91 18 which is leased for 12 months or more. The imposition of the
91 19 fee for new registration is subject to the same exemptions
91 20 currently applicable to the use tax on vehicles. The bill
91 21 provides that the computation of a vehicle's purchase price
91 22 for purposes of the fee for new registration mirrors the
91 23 computation of "sales price" under current use tax provisions.
91 24 The director of revenue, in consultation with the department
91 25 of transportation, shall administer and enforce the fee for
91 26 new registration as nearly as possible in conjunction with the
91 27 administration and enforcement of the use tax law.

91 28 The fee for new registration is payable to the county
91 29 treasurer at the time application is made for a new
91 30 registration and certificate of title for a vehicle. As is
91 31 currently the case with the vehicle use tax, the county
91 32 treasurer shall retain \$1 from the collection of a fee for new
91 33 registration, to be deposited in the county general fund. The
91 34 bill provides a mechanism for collection of the fee by
91 35 licensed vehicle dealers at the time a vehicle is purchased
92 1 and provisions for obtaining a refund of a fee. The bill
92 2 provides that a person who makes a false statement regarding
92 3 the purchase price of a vehicle commits a fraudulent practice
92 4 and is subject to the same penalties that applied for purposes
92 5 of the use tax on vehicles.

92 6 PART 3 == MOTOR VEHICLE USE TAX == REPEAL. The bill
92 7 repeals the use tax on vehicles subject to registration and
92 8 the motor vehicle lease tax, except for the tax on the use of
92 9 leased vehicles if the lease transaction does not require
92 10 titling and registration of the vehicle. The use tax on
92 11 vehicles subject only to a certificate of title, which applies
92 12 to mobile homes, and on manufactured homes is retained under
92 13 the bill. The resulting revenue may be used to supplement
92 14 funding sources for purposes currently funded by vehicle use
92 15 taxes, with the remainder to be deposited into the road use
92 16 tax fund.

92 17 PART 4 == CONFORMING AMENDMENTS. The bill contains
92 18 conforming amendments to the Code relating to provisions in
92 19 the bill.

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